

Labour MPs support Cabinet over top salaries

Labour MPs gave general support yesterday to the Prime Minister and the Chancellor of the Exchequer in their decision to implement in full, over the next 21 months, the Boyle committee's recommendations on top salaries. Mr Callaghan said that if the increases were not paid there might be many resignations from the boards of public sector industries. Those covered by the Boyle review will receive a rise of 10 per cent this year.

10% rise this year for state boards

By George Clark
Political Correspondent
After some straight talking to Labour, left-wing critics at a party meeting yesterday, the Prime Minister and Mr Denis Healey, Chancellor of the Exchequer, received general support from Labour MPs for the big increases in pay recommended by the Boyle committee last Friday for chairmen and members of the nationalized industry boards, judges, top civil servants and senior officers of the Armed Forces.

Mr James Callaghan told the Parliamentary Labour Party, before the formal announcement in the Commons, that the Government proposed to pay the people involved a 10 per cent increase this year and the rest of the rise of up to 100 per cent in phases to be completed by April 1, 1980. The review body said the rises averaged 31 per cent.

Mr Callaghan warned his backbenchers that if differentials were not maintained between the members of the nationalized boards and their executives there might be a spread of resignations and a damaging drop in morale among the people directing those industries.

Both ministers pointed to the dangers that might arise for the party if the carrying out of socialist policies meant that the devoted people who served the public were not properly rewarded.

Mr Callaghan reported that Lord Elwyn-Jones, the Lord Chancellor, had told him that he would find it difficult to secure the experience and mature judgment for vacancies on the High Court bench if the recommendations of the Top Salaries Review Body, chaired by Lord Boyle of Handsworth, were not implemented in full.

In a speech, the Prime Minister admitted that the Government was in "a proper tangle" because the necessary action was not taken in 1974-75 to keep senior people's salaries in line with inflation.

Mr Callaghan and Mr Healey gave abundant proof that the operation of pay controls over the whole of the economy and the administrative service cannot be carried on for long without creating injustices and making it difficult to attract suitable recruits to the public service.

A decision about the chairman, vice-chairman and members of the nationalized industry boards had unfortunately been "dodged" in 1974-75. The reality was that the members had been given an increase of 5 per cent since 1972. The earnings index had risen by 152 per cent since 1972.

As a result, some people in the industries had refused to accept promotion to controlling boards; others who did accept had to suffer a reduction in their income.

The Prime Minister added that some who went on the boards insisted on having their salaries maintained at their earlier executive level. "Several have indicated that in view of the failure to match up to the march of inflation they will

have no alternative but to revert to the private industries that they formerly worked in."

When Mr Dennis Skinner, MP for Bolsover, remarked: "Let them go," Mr Callaghan retorted: "Yet, but you must get someone who is prepared to replace them, and that is obviously not easy in view of what I have said. They are receiving less pay than the very people they are responsible for supervising."

The Cabinet had "agonized" for a long time about the top salaries report, and he realized that there would be a certain amount of disquiet about the Government's decision. He paid tribute especially to MPs who had forgone the full amount of the increase recommended for them by the Boyle committee in 1975.

On the question of legal entitlement, he said there could, conceivably, be a move to take the Government to court.

The phased increase for about 1,500 people (which does not take account of inflation that will occur in the interval between the presentation of the Boyle report and April, 1980), would not cause 20 million workers to "run away with their pay claims", he said, adding: "These increases do not restore the previous level of earnings. There is no question of putting these categories back to where they were in 1974 or 1972."

Later, in the House of Commons, Mr Skinner and Mr Eric Heffer, Labour MP for Liverpool, Walton, protested about the Government's issuing its verdict on top salaries as a written reply, thus precluding questions in the House.

Mr Skinner concluded from the fact that Mrs Margaret Thatcher, Leader of the Opposition, had not raised the matter with Mr Callaghan at his question time that there had been "a collusion" between the two Front Benchers.

Mr Callaghan earlier had rejected a suggestion by Mr Michael Neuber, Conservative MP for Havering, Romford, that industry's failure to perform better was due to ministerial cowardice in refusing to allow people to pay what the skills and responsibilities of their workers deserved.

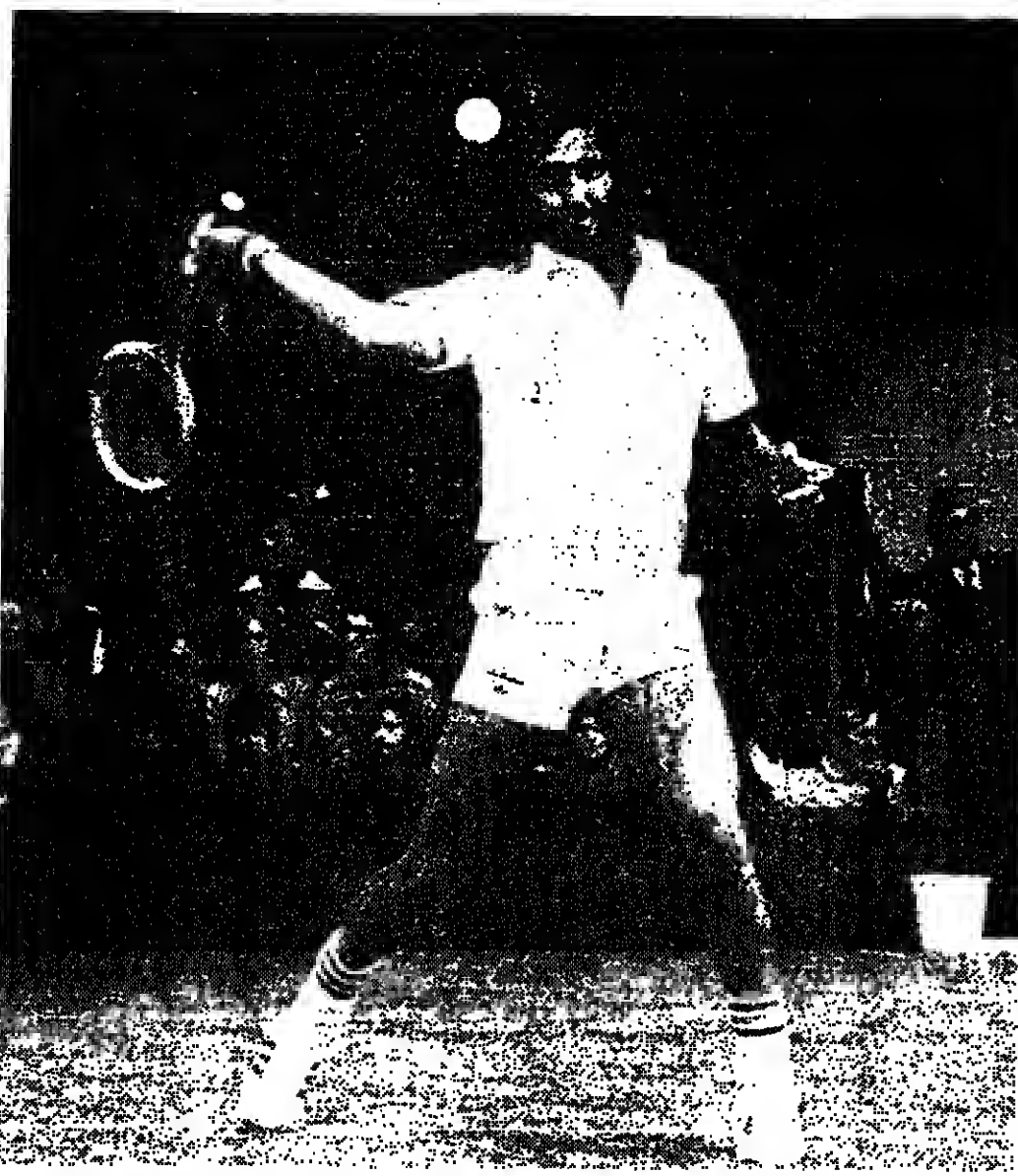
Last night Mr William Kendall, secretary general of the Civil Service National Whitley Council, Staff Side, said that basic pay was the decision, right, but civil servants had serious reservations.

In particular, since there was no provision covering inflation between the time of the Boyle report and April 1980, there was discrimination against those in the top salary category.

Labour MPs were signing a Commons motion last night denouncing as an outrage the Government's acceptance of the salary recommendations. It is sponsored by Mr Stanley Thorne, MP for Preston, South.

Pressure is also building up on the back benches for a Government statement on MP's pay. Although an increase of 10 per cent is assured for this year, backbenchers feel that the Boyle report has highlighted the low pay of MPs: £5,270 with certain allowances.

Leading article, page 17



Point of Dissent: Ilie Nastase lashes out after losing a game against Tom Okker in which there had been a disputed line call. The match went against Nastase 7-5, 6-1, 2-6, 6-3. Men's International Professional Tennis Council propose to fine Nastase £2,500 and ban him for three months for a previous breach of their code. In other quarter finals Virginia Wade beat Mima Jausovec (Yugoslavia) 6-0, 6-4 to join Christine Evert, Mrs Cawley, and Miss Navratilova in the semi-finals. In the men's matches Gerulaitis beat Gottfried, Connors beat Ramirez, and Borg beat Mayer.

Parcel bomb warning after blast at bookshop

By Stewart Tandler
Crime Reporter

The assistant manager of a north London bookshop was injured yesterday when a parcel bomb exploded. Several radical groups have offices above the premises.

Later, Scotland Yard said that more bombs might be on their way and asked the public to exercise caution.

The blast, which injured Mr Stuart Porter, aged 37, was the latest attack this year on groups connected with the left. So far they have included parcel bombs to the Communist Party headquarters, offices belonging to the National Union of Public Employees, a member of the Socialist Workers' Party, and an apparently random attack on an Asian family.

There have also been arson attacks on various organizations, including bookshops selling to the black community and the offices of the Anti-Nazi League.

Responsibility for some of the bomb attacks has been claimed by a neo-Nazi group calling itself Colum 88.

Yesterday's bomb is thought to have been included in a box delivered to Housmans Bookshop in Caledonian Road, King's Cross, at lunchtime. Wrapped as a brown paper parcel, it was opened in a back room by Mr Porter.

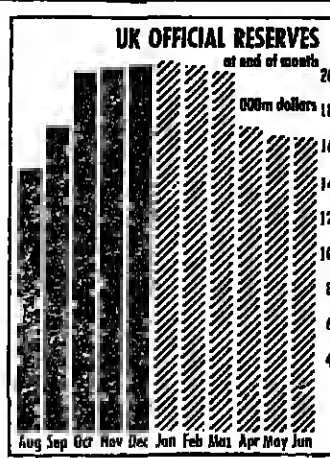
There was an explosion, smoke and flames. Mr Porter was burnt on the neck, face and hands and taken to University College Hospital, where his condition last night was satisfactory.

The anti-arson squad has not yet disclosed the address on the parcel but it is thought it may have simply had the number of the building and nothing else. That was the case with some earlier bombs.

Above the shop are the offices of Peace News magazine and other radical organizations. Post, for the whole building is delivered in a sack and sorted by the bookshop, which leaves post for the organizations on the stairs.

Mr Albert Beale, one of the editors of Peace News, said a threatening note had recently been put through the door of the building by someone claiming to be from Colum 88.

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Speculators push the dollar down

By Caroline Atkinson

Widespread speculation sent the dollar plummeting on the European exchanges yesterday. American markets were closed for July 4, Independence Day.

Pressure on the dollar has been building steadily over the past month as dealers have become more pessimistic about the prospects for the United States economy, and have begun to fear little improvement from the forthcoming economic summit.

The yen led the rise against the dollar yesterday, touching 200.30 before closing at a record 200.90. The Bank of Japan appeared to be holding the rate above 200, which has become an important psychological barrier. If it is breached officials fear that this would lead to a loss of confidence and send the yen soaring still faster. It has risen by 10 per cent against the dollar in the last month.

However, considerable switching out of dollars into the other major currencies followed the yen's rise. The Swiss National Bank and the West German Federal Bank were in the market trying to hold down their currencies. However the Deutsche mark and Swiss franc still made gains of 1 per cent and 1.8 per cent respectively.

The French franc leapt to 4.425 to the dollar, a rise of 11 per cent on the day.

The absence of the Federal Reserve from the market as a result of independence day may have worsened the dollar's fall. Reports that Mr William Miller, the Fed chairman, had been overruled by the board to raise the Fed discount rate, and fears that he wished to slow the rise in American interest rates added to market worries about the course of the dollar's weakness.

The dollar's weakness helped to take pressure off the pound. It closed 10 points up at £1.8745. The United Kingdom reserves showed a very small fall during June, indicating that the level of official intervention in support of the pound was low. The reserves fell \$119m, compared with falls of \$377m and \$3,382m in the previous two months, and now stand at \$16,542m (£8,891m).

The underlying fall in the reserves—which gives a better guide to official intervention—was only \$49m.

Official transactions reflected in the reserves included repayment of \$13m on the long term loans from the United States, and other repayments of \$161m under the exchange cover scheme. New borrowings by the public sector totalled \$104m. The bulk of this consisted in a \$95m loan to the National Coal Board from the EEC Coal and Steel community fund, with the rest a \$9m loan to Louthian Regional Council from the European Investment Bank.

The repayment made during June was in line with the Government's policy of prepaying some of its expensive overseas debts.

British Steel expecting further loss this year

By Peter Hill
Industrial Correspondent

Gloomy forecasts on the state of the international steel market this year and next were given yesterday by Sir Charles Villiers, chairman of the British Steel Corporation, when he confirmed a \$443m loss for the BSC's last financial year. Similar losses are in view for the current financial year, and the corporation estimates that it will lose a further \$175m excluding allowance for contingencies in the six months to this October.

Official disclosure of BSC's loss coincided with a Parliamentary statement by Mr Eric Varley, the Secretary of State for Industry, in which he said that the state-owned British Shipbuilders, set up a year ago, was forecasting a loss of \$45m in the financial year to March 1979. This comes on top of losses already recorded by British Shipbuilders.

The BSC's loss was set against the background of the lowest level of steel deliveries to the United Kingdom market than in any year since 1963 and its position has been exacerbated by low United Kingdom economic growth, in public spending and increased penetration by imports.

Sir Charles refused to say what the final estimated outcome for the current financial year, which ends next March, would be because of the many uncertainties in the world market. The losses, he said, were terrible, but he noted that there had been a "measurable improvement" in the corporation's manufacturing performance.

Continued on page 19, col 4

Azerbaijan minister assassinated by Soviet prison official

From Michael Binyon
Moscow, July 4

A young prison official walked into the office of the Minister of the Interior of Azerbaijan and assassinated him. He then fatally wounded two of his assistants before committing suicide with his gun, it was learnt in Moscow today.

The attack was on Thursday. The minister, Lieutenant-General Arif Geidarov, died instantly and was buried on Saturday. His aides, Mr Saladin Kyzimov, a Deputy Minister of the Interior, and Lieutenant-Colonel Aziz Safikhaov, died later and were buried today.

The killing was one of the most serious assassinations of a public figure since the murder of Kirov, the Leningrad party secretary, in 1934, which resulted in a wave of arrests and the beginning of Stalin's main purges.

General Geidarov was a senior officer in the KGB (the Soviet secret police) and a minister in the Caucasian republic of eight years. A spokesman for Mr Vasily Vysotsenko, the First Deputy Minister of the Interior, confirmed today that the assassin was a 29-year-old man called Muratov who had been chief of the administrative section of a prison in the town of Shusha, about 40 miles north of the Iranian border.

An obituary in the Azerbaijani newspaper *Bakinskiy Rabochiy* was signed, among others, by Mr Geidarov's wife, the party secretary of Azerbaijan, and Mr N. A. Shchelakov, the Minister of the Interior of the Soviet Union. The newspaper said that General Geidarov had "died

tragically while carrying out his duties", but did not specify how. Officials reached today in Baku, the republic's capital, said that a commission was being set up to investigate the killing.

The dead minister was a member of the local Communist Party Central Committee and a deputy to the Supreme Soviet. The obituary said that he was an ardent Soviet patriot-internationalist and an active public figure.

He had worked in the KGB for more than 25 years, and was party secretary of the security organization in Azerbaijan. The obituary said that he had made a "big contribution to strengthening socialist legality and law and order in the republic as well as fighting against crime."

He was also said to be zealous in uprooting what the newspaper called "negative actions", presumably corruption and political dissent.

A tribute by the local KGB said that as a minister he had said particular attention to strengthening cooperation with the organs of state security.

First reports of the murder came from travellers returning from Azerbaijan. No motive has been suggested, however, and it is not clear whether the murder was politically motivated. Azerbaijan does not have a strong nationalist movement like the neighbouring republics of Armenia and Georgia where there have been a number of bomb explosions and demonstrations in the past year. However corruption is widespread and the minister's zeal in stamping this out may have led to his death.

Miners demand £110 for face-workers

Miners' delegates voted to seek 40 per cent pay rises from next March. The policy-making conference at Torquay of the National Union of Mineworkers overwhelmingly demanded £110 a week for face-workers, backed by a threat of industrial action, thus rejecting government appeals to union leaders for pay restraint. After the vote Mr Len Murray, general secretary of the TUC, warned miners not

to exploit their bargaining power. Mr Joseph Gormley, the NUM president, described the claim as realistic and said it would go through the industry's negotiating machinery. An attempt by Mr Arthur Scargill, leader of the Yorkshire miners, to force the early retirement of Mr Gormley by making 60 the retiring age was defeated.

Page 2

Tories warned on Rhodesia

President Kaunda of Zambia warned the Conservative Party against making Rhodesia a political issue in Britain. In Lusaka he told Mr John Davies, the Conservative spokesman on foreign affairs, that Rhodesia was "a matter of life and death with far-reaching ideological and military consequences which could destroy the basis for peace."

Page 8

Report favours single exam

A report on a single 16-plus examination to replace the CSE and GCE system is expected to be published late next week, before Mrs Shirley Williams, Secretary of State for Education and Science, leaves for an official visit to China. If it is approved, pupils now aged nine might be the first to take it. Alternative papers for more advanced pupils may be necessary in some subjects, the report says.

Page 5

Castle bought for nation

Chirk Castle, on the Welsh border, has been sold to the nation for £192,500, after being owned by one family since 1850, because of financial pressures. It will be managed by the National Trust.

Page 5

Return to Italian monarchy urged

With the Italian electoral college still in deadlock, Prince Victor Emmanuel, heir of ex-King Umberto, appealed for a return to the monarchy. He said it would restore national stability.

Page 6

MPs reject TV in Parliament

The House of Commons rejected its opposition to televising its proceedings by 181 votes to 164, a majority against of 20. Mr John Farr, Conservative MP for Harborough, had asked for leave to introduce a Bill bringing in television.

Opposing it, Mr John Stokes, Conservative MP for Halesowen and Scourbridge, painted a picture of hundreds of MPs crowded behind a colleague making a speech so as to get their faces on the television screen.

Parliamentary report, page 14

Eight Bretons sent for trial

Eight Breton nationalists have been committed for trial charged with acts of destruction. Two of them were said to have admitted responsibility for the bomb attack on the Palace of Versailles. In Corsica, 33 bomb attacks have caused damage to property but no casualties.

Page 6

The Times

Because of production difficulties some areas at home and abroad did not receive copies of *The Times* yesterday, or suffered distribution delays. We apologise to readers, advertisers and distributors. We also wish to apologise to advertisers and readers for the omission of some advertisements planned for today's paper, because of further production difficulties.

Harvest forecast: Britain may have a record harvest for the second year running, a leading government agricultural adviser says.

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Aid for birds: Mobil Oil is to give £10,000 to Moushole bird sanctuary, Cornwall, and promises £1 for every £2 raised elsewhere.

3

Features, pages 9, 16

Dr Tony Smith assesses 30 years of the National Health Service; Cookery: Susan Campbell creates ices for every taste.

Sport, pages 10-12

Cricket: Pakistan's tour ends as it begins with rain; Brazil to captain England against New Zealand; Racing: Four-day acceptors for Eclipse Stakes at Sandown Park.

Business News, pages 19-26

Stock markets: Equities went lower in light trading and the 100-day share index, though off the bottom ended 5.0 down at 453.1. Glits lost ground.

Financial Editor: Bonn, the dollar and speculators markets: Pressure on Eurocurrency profits.

Business Diary: Springing into the dog food market.

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Tories 'will not repeal job protection Act'

By Hugh Noyes

Mr James Prior, Opposition spokesman on employment, gave a pledge in the Commons last night that if a Conservative government was returned at the next general election it would not repeal Labour's Employment Protection Act, 1975.

The Act was one of the first measures of the present Administration and has been criticized by some industrialists and by many Conservative politicians.

Conservative leaders have said that the Act, which amends the law on the rights of individual workers and gives greater powers to trade unions, has discouraged employers, particularly in small businesses, from taking on more staff.

But Mr Prior, who was winding up a debate on unemployment, said not only that there was no question of repealing the Act but also that a Conservative government would not consider amendments to it without the fullest consultation.

Fairford picked as base for American tanker aircraft

By Henry Stanhope
Defence Correspondent

The Ministry of Defence is to allow the United States Air Force to base its 15 additional KC-135 tanker aircraft at Fairford, Gloucestershire. An announcement is expected later this week.

The USAF, which has a similar number of KC-135s at Mildenhall, Suffolk, needs 15 more to carry out mid-flight refuelling for the growing number of combat aircraft in Europe.

The decision has only just been made after several months of agonizing appraisal by the ministry and the USAF, which together have a number of possible sites.

The Americans originally wanted to base the tankers at Greenham Common, near Newbury, Berkshire, but that was ruled out by the ministry at the end of May after protests from the local population.

Similar trouble is expected at Fairford, whose residents have been campaigning against

the possible choice of the airfield there.

About 500 protesters demonstrated outside the United States Embassy early last month and three local Conservative MPs, accompanied by the Bishop of Gloucester and the chairman of Gloucestershire County Council, put their objections to Mr Kingsman, the United States Ambassador.

Cotswolds people have complained that the tankers, modified Boeing-707 airliners, are noisy and dirty. The ministry has argued that the degree of noise and pollution has been overstated.

A statement issued last month said that flying would be restricted to daylight hours on weekdays for most of the year and only half the aircraft would be flying at any one time.

The first five aircraft are expected to arrive in Britain next year and the others will come in batches of five at six-monthly intervals.

Continued on page 2, col 8

Britain taken to court over trawler arrest

From Michael Hornsby
Brussels, July 4

France is taking Britain to the European Court of Justice for the alleged illegal arrest of a French trawler skipper in the Bristol Channel last year. He was accused by the British authorities of violating fishing regulations applicable in Britain's 200-mile zone.

At the same time, the European Commission is examining the compatibility with Community procedure of the four new fish conservation measures announced yesterday by Mr John Silkin, the Minister for Agriculture, Fisheries and Food. Objections may be raised to at least two of them.

The French case dates back to last October when the skipper of the French trawler *Cap Caval* was fined £150 with £50 costs for carrying a small mesh net and exceeding the amount of white fish, such as plaice, allowed to be caught while fishing for shrimps.

The British contended that they were merely enforcing rules already accepted by the EEC under the North-East Atlantic Fisheries Convention. This was disputed by the French, who argued that the British measures were, in certain respects, stricter.

Invoking Article 170 of the Rome Treaty, France took its case first to the Commission, which broadly supported the French position. It also pointed out that Britain had failed to seek the prior approval of the Commission before introducing the regulation complained of.

Encouraged by this ruling, France has now charged Britain before the European Court of Justice to Luxembourg with failure "to fulfil an obligation" under the Rome Treaty. The court's verdict is not likely until the autumn.

Two of the new measures announced yesterday by Mr Silkin appear designed to meet the legal objections to the earlier British regulation. These would abolish the "by-catch" limit for shrimp fishing, but make a minimum mesh size of 70mm obligatory. At present, many Continental trawlers in British waters use much smaller mesh sizes and scoop up large side catches of immature white fish in the process.

Under an agreement reached at the end of 1976, it has been recognized that EEC member states have the right, provided certain criteria are met, to take unilateral conservation measures in the absence of agreement at Community level.

Most of these criteria seem to have been met by the four measures announced last night. Fish ban denounced, page 6



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HOME NEWS

BMA's refusal to sign declaration puts a damper on celebration of health service anniversary

By John Roper
Health Services Correspondent

On the eve of a government luncheon at Lancaster House, London, on the thirtieth anniversary of the National Health Service, the British Medical Association announced yesterday that it did not think the occasion required or justified any special commemoration.

The statement was the latest in the chequered career of an idea expressed two years ago by Lord Goodman while acting as a mediator in a doctors' dispute: that health care workers should not be forced into a position of having to take strike action.

That was enthusiastically taken up by Dr Elton Grey-Turner, secretary of the BMA. Mr David Enoch, Secretary of State for Social Services, thought it would be a good idea for a statement of intent embracing industrial harmony to be signed by all concerned on

the thirtieth anniversary of the health service.

But the idea had a chilly reception, not least from unions to whom the right to strike in certain circumstances remains paramount.

The declaration is largely a self-congratulatory document. It also points out the difficulties and weaknesses of the present health service, says that more money is necessary but recognizes that demand on the service is unlimited, and adds that if the nation gives the service the tools, doctors, nurses and everyone else will do the job. The BMA yesterday was unrepentant in its assessment that such a declaration of intent

savoured merely of political gimmickry and would get nowhere. Rumours that it might boycott the proceedings were quickly found to be untrue: Sir Ferguson Anderson, president of the BMA, will represent the association.

In its statement the BMA said that the health service was failing to provide the services that patients had been led to expect and doctors were no longer willing to cover up deficiencies.

The anniversary could not be an occasion for rejoining but must be a time for serious appraisal of how to find more resources and boost the morale of all health service workers.

Mr Albert Spenswick, general secretary of the Confederation of Health Service Employees and chairman of the TUC health services committee, said last night that he deeply regretted that the BMA had felt unable to sign the document.

Could do better, page 16



Hovercraft built by schools taking part in a competition sponsored by BP at Stanford Hall, near Rugby, yesterday. Seventeen schools have entered the two-day event.

Britain's private police, I: Portrait of a growth industry that has become one of the country's largest employers of labour

Public doubts persist about security guards

By Dan van der Vat

Private security guards protect police buildings. They transport prisoners and guard immigrants at airports. They protect government departments. Securicor, the largest company, estimates that it alone transports £60,000m in cash each year.

The triple feat of continuous and rapid growth despite economic recession, increased custom and growing responsibility for life and property despite lack of official supervision has made the private security industry one of Britain's largest employers of labour.

The uncontrolled growth of the industry and public doubts about its role have prompted the Home Office to begin a discussion document about the public control of private security, though no publication date is yet available.

The chief difficulty is the lack of precise information on the size, scope and standards of the industry. Even defining it is far from simple. Should those who make and install fire and burglar alarms, locks and safes be included with the men in vaguely police uniforms who guard property worth millions or transport large sums in cash for unimpressive wages?

The British Security Industry Association (BSIA) has 67 members in four sections: guard and patrol, transport, safe and lock, and alarm. They employ collectively 20,500 uniformed guards, 530 store detectives, 3,550 people concerned with alarms, strong rooms and vaults and 7,500 administrative staff.

Mr John Wheeler, the association's director-general, said those firms accounted for about 90 per cent of the industry's turnover of about £120m in 1976, and much more now.

But controversy about the industry centres upon the "surrogate policemen" used for the static or mobile guarding of property. The 1971 census found that 120,000 people were employed in this field. An earnings survey in 1977 showed that 133,000 people had held such jobs for three months or more.

The industry continues to grow and has a fairly high turnover of staff, it is reasonable to conclude that it employs 150,000 people, or three for every two police officers, in all aspects of manned protection, including guards employed by firms for what is known as "in-house security".

The number of companies selling manned security to others is unknown, but the estimate is 600 or more, sometimes regional, often local and usually small.

But the largest, Securicor, has 23,000 employees, an annual turnover of more than £10m, and 1,700 armoured 2,600 vehicles. Mr Peter Smith, its chairman and managing director, is also chairman of the BSIA. It was founded in 1935 and finished the war with a uniformed staff of only two. Its staff has doubled in the past 10 years and during the same period its losses in raids on cash in transit have risen tenfold, from £1.0m to £10.0m.

Securicor's size has made it a household name. But in this business a name to conjure with is also a two-edged sword: it generates more custom of itself, but it also means that every weakness in the industry, its own or that of someone else, runs off on the market leader.

Group 4 is second in Britain but the largest in Europe. Mr Jørgen Philip-Sørensen, Group 4's chairman, is a young and energetic Swede, who lives in Britain because he likes it but is always on the move in his luxury car or a company jet aircraft, looking for new business.

The parent company is still in Sweden, but Group 4 has an impressive British headquarters at Broadway, Worcestershire.

Beautiful, tastefully converted Scotswood buildings conceal Scandinavian efficiency, furniture and welfare facilities and the firm's own advanced electronic devices.

The rural site was chosen for its advantages as a training centre, to which Mr Philip-Sørensen attaches more importance than administrative convenience.

Group 4 expects to achieve a turnover of more than 20m this year from the services of its staff of more than 4,000 throughout Britain.

Those two companies and a handful of others dominate the private security industry, which is rapidly involving itself in such related fields as electronics, express parcel delivery and office cleaning as well as the traditional manned services.

Downmarket, if only in scale, Hawk Security Services of Hounslow, West London, gallantly maintains a detailed training scheme for a staff of 161 security guards from its offices over a do-it-yourself shop, redemonstrating that concern for standards is not the prerogative of the big battalions.

It is the really small operators on the fringe of the industry who have done the most damage to its reputation.

Next: Dark side of the boom

Securicor's size has made it a household name. But in this business a name to conjure with is also a two-edged sword: it generates more custom of itself, but it also means that every weakness in the industry, its own or that of someone else, runs off on the market leader.

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Next: Dark side of the boom

Hunt starts at airport for forged notes

By Stewart Tisdler
Crime Reporter

Customs officers and detectives have begun searching passengers arriving at Heathrow airport, London, from Nigeria for reports that forged \$100 notes are being sold in West Africa and may be reaching Britain.

The searches are expected to last for up to a week and the first was carried out on more than eighty passengers on a flight from Lagos and Kano which arrived in London on Monday night. Nothing was found.

Nigerians are not allowed to export their currency and there is a market in West Africa in changing local money into American dollars. Information reaching Britain recently suggested that forged notes were being foisted on unsuspecting travellers, and the searches were ordered.

So far there is no suggestion that the forged notes are circulating in London and no information on how many are being produced. Some forged notes that have been recovered in the past are thought to have originated from a press operating somewhere in South America.

Legal help sought on new mosque

From Tim Jones
Cardiff

After several attempts to establish a third mosque in Cardiff the city's Muslim community is to seek legal advice in an effort to settle a dispute that has threatened a tradition of good race relations.

The Muslims say their culture and religion are threatened because of the delay. "We will always try to achieve our aims through proper channels but there is no doubt that tension is mounting because we feel we are discriminated against," says T. A. Khan, secretary of the Muslim Educational and Welfare Society, said yesterday.

The first official application for a mosque in the Roath area was made more than two years ago; the eleventh was rejected last week amid angry scenes in the council chamber.

The Muslims say the two mosques in the Tiger Bay area are too far apart and too small for their 6,000 members.

Most of the applications have been refused on the grounds that a mosque would create too much noise for neighbours or would pose parking and traffic difficulties. Some applications have been challenged by petitions from local residents.

Mr Khan says Muslims would make their journey to the mosque mainly by foot, and he rejected the suggestion of excessive noise.

Mr Philip Bowen, a Labour councillor, said: "I think it is a bit like the gypsies: most people think they should have somewhere so long as it is somewhere else."

Nurse jailed for sex offences

Christopher Hollis, aged 30, a state-registered nurse, at Park Hospital for Children, Oxford, was jailed for three years by Oxford Crown Court yesterday. He admitted attempting to commit an indecent act with a boy aged six and indecently assaulting him and asked for two similar charges to be considered.

Principal cellist 'pulled faces at colleagues'

Mr Alan Turner, principal cellist of the Northern Sinfonia Orchestra, who asked an industrial tribunal at Newcastle upon Tyne yesterday to say that he had been unfairly dismissed, was alleged by Mr Peter Rennie, for the orchestra, to have been regularly contemptuous of orchestra players and visiting artists and to have laughed at their mistakes during rehearsal.

Mr Rennie said that Mr Turner, aged 33, of Whitfield Road, Forest Hill, Newcastle upon Tyne, pulled faces at colleagues in the orchestra and deliberately played wrong notes even in concerts. He once played snatches of a bassoon concerto while the first bassoonist was taking up points with the conductor. When he was criticized, he would drop his bow ostentatiously.

Mr Rennie also alleged that in 1977 Mr Turner drank whisky from a bottle during a final rehearsal for *Costume* ture. "He was loath to practise and that may have been the cause of his poor performance," he said.

After Mr Turner had been warned by the general manager, his performance and behaviour improved. A motion that he might reestablish a working relationship with the orchestra was put to the management committee in March this year. It was defeated in a secret ballot.

Mr Turner said the tribunal: "One of the commonest forms of entertainment at rehearsal is the exchange of puns and lower forms of wit between the conductor and the orchestra. I admit that there was a case for complaint about my behaviour at rehearsals, but this was applicable to 80 per cent of the rest of the orchestra."

He said that after receiving a warning letter he took part in no frivolity.

Changes in parliamentary broadcasts

By Kenneth Goeling

Live broadcasts of parliamentary proceedings after the summer recess are to be carried simultaneously on the VHF and medium wave bands of Radio 4. The decision not to give a choice of programmes will apply mainly to Prime Minister's question time and the important debates in the House.

Mr Aubrey Singer, managing director of BBC Radio, told members of the Broadcasting Press Guild yesterday that that would apply also to the morning programme, *Yesterday in Parliament*.

Mr Singer said he also wanted to start a weekly programme called *The Best of Parliament* and to carry some of the "fascinating material" from select committees.

He said he wanted some

Mr Prior ends inadvertent contribution to Labour

By Christopher Thomas
Labour Reporter

The communist newspaper, *Morning Star*, yesterday fully disclosed that Mr James Prior, opposition spokesman on employment has for the past three years been contributing to the political fund of the Labour Party.

The news came out after Mr Prior had written to his local branch of the Association of Professional, Executive, Clerical and Computer Staff (Apex) and exercised his statutory right to opt out of the political levy.

On present figures his monthly subscription of £1.43 a month includes a political levy of 6p. Under labour law a member of a union affiliated to the Labour Party needs to inform his union in writing that he does not wish to contribute to the political levy, which is the mainstay of Labour's finances.

Court apology to college by publishers

University College, Cardiff, and two professors received an apology in the High Court in London yesterday over publication in the *New Statesman* of a student's allegation that he had been failed in an examination because of his political activities.

The college and Professor Charles Magee and Professor Martin Albury had sued the *Statesman* and Norton Publishing Co Ltd, alleging libel. Complaint was made of an article and a letter published in October and November, 1977.

Mr Richard Walker, for the plaintiffs, said there was no truth in the highly defamatory assertions made by the student. Mr Stuart Barber, who had reservedly withdrawn all his allegations last February.

The publishers' lawyer said that there was no foundation for any of his statements and apologized for having given prominence to them.

In brief

Reservist shot in police compound

Constable Jacob Rankin, a full-time police reservist, was fatally wounded by gunmen yesterday as he walked towards the exit of the security compound at Castlederg police station in the border area of Co Tyrone.

Terrorists opened fire on him from a car waiting outside the compound. He is the sixteenth member of security forces to be killed this year.

Solicitor sues BBC for libel

The BBC is being sued for libel by Mr Roger Hambleton, of Weymouth, a solicitor, over remarks made in *Checkpoint*, a radio programme, on June 29 and again on June 30.

Mr Hambleton said the remarks referred to him while he was practising in Cardiff 10 years ago. The writ mentions the BBC, Mr Roger Cook, the programme presenter, and Mr John Edwards, the producer.

Hovercraft dispute

All British Rail's cross-Channel hovercraft services were cancelled yesterday because of an industrial dispute. Maintenance engineers were on strike to protest at the lack of progress in getting equal pay with ferry engineers.

Minimum wage call

The National Union of Public Employees is launching a national campaign against low pay. It is demanding a minimum wage of £60 a week, at least two thirds of average earnings, for a normal working week.

Hostel plan opposed

The Home Office is fighting a plan to build a hostel for tramps because it is too close to a Oxford street. The Cherwell Housing Trust was applied to Oxford City Council for planning permission.

Dead man in rigging

A man whose body was found entangled in the rigging of a yacht that capsized off the Isle of Wight was still unidentified last night.

Dockyard walk-out

Five thousand dockyard workers at Portsmouth walked out yesterday in protest at a 9 per cent pay offer by the Ministry of Defence.

Correction

It was the great grandmother of Mr Trevor Phillips, the new president of the National Union of Students, who was a slave in Barbados, not his grandmother as stated on June 23.

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In brief

Leader of Indian sect cleared

Amazon pact

Amazon pact
Brasília, July 4.—Foreign ministers from Brazil, Bolivia, Colombia, Ecuador, Guyana, Peru, Surinam and Venezuela signed a treaty here to cooperate in the development

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OVERSEAS

Rhodesia not political issue, Dr Kaunda warns Conservatives

Lusaka, July 4.—President Kaunda of Zambia has warned the Conservative Party not to make Rhodesia a political issue in Britain because it is a matter of "life and death with far-reaching ideological and military consequences".

The President's warning was disclosed today after he held private talks here last night with Mr. John Davies, the Conservative spokesman on foreign affairs.

Sources close to the talks said Dr Kaunda resented Mr. Davies coming to southern Africa only after a well-publicized massacre of whites in Rhodesia. The President protested that no outcry was heard from Britain after the killing of thousands of blacks.

Mr. Davies also met Mr. Joshua Nkomo, co-leader of the Patriotic Front, and reportedly urged him to accept the internal settlement in Rhodesia.

After the talks Mr. Nkomo said: "To me what the Conservatives came to discuss with us was just a pack of rubbish".

Our Salisbury Correspondent writes: Bishop Abel Muzorewa tonight gave the most optimistic speech yet by a member of the Rhodesian transitional government on the hope of ending the country's civil war.

In a speech prepared for delivery in Johannesburg and released by his office, the leader of the United African National Council and current chairman of the Executive Council said he found it remarkable that progress had been made in effecting a ceasefire despite the complexities of the situation.

He told the South African Institute of International Affairs he had been flattered that his meeting in the open areas had immediately resulted in a reduction of war activities.

"I am already on record as saying there were no areas where government forces and guerrillas live side by side in peace. I believe that these successes will escalate because war breeds war and peace breeds peace", he said.

Mr Sithole says Dr Owen should accept settlement

From David Wood
Luxembourg, July 4

The Rev Ndabembi Sithole, a member of the Executive Council, today defended Mr. Ian Smith, the Rhodesian Prime Minister, and questioned the judgement of Dr. David Owen, the Foreign Secretary, during a two-day visit to the European Parliament in Luxembourg to canvass support for the Rhodesian internal settlement.

Mr. Sithole said that during his European tour he would be meeting Dr. Owen in London. He hoped to persuade him that the agreement of March 3 for "one man one vote" was a "miracle" that deserved full British support.

The trouble was, he said, that the British Government, in time with the times, did not believe in miracles. But the agreement was irreversible and gave direction to the whole of Rhodesian life, white and black.

After asking the European Parliament and the EEC to accept the reality of the miracle, Mr. Sithole said that Mr. Smith had swallowed his pride, as he himself had, and those who were working with him on the Executive Council now trusted Mr. Smith.

"I have no doubt that Mr. Smith means well, just as we

Bishop Muzorewa said he was more confident than ever before that the war would have run down sufficiently by the end of the year to hold a fair and free general election, but there was no doubt that ending the war was the central challenge facing the transitional Government.

"We have on our hands a conflict whose roots lie embedded in all of 87 years of minority rule. We have a war fanned by deep racial hatreds, fears, suspicions and frustrations. We have a society whose dominated by violence", he said.

Bishop Muzorewa said a successful and fair general election should end the current prevarications and ambivalence of the British Government with regard to recognition. He did not believe the key to international recognition lay in Whitehall, the White House, Capitol Hill, the Kremlin, Dar es Salaam or Addis Ababa. It lay in Salisbury with the transitional Government.

"It is possible that we have overdone the beginning bowl approach and not enough of generating reforms and changes in our own society as the surest way to international recognition."

"Purely in a spirit of self-criticism we have not moved fast enough to remove all racial discrimination, to translate the spirit and letter of the Salisbury agreement into irreversible fact," he said.

"Be that as it may, the transitional Government is holding together and will continue to hold together. Barring the slow progress, some solid preparatory work has been achieved."

Meanwhile the Anglo-American envoys, Mr. John Graham, of the Foreign Office and Mr. Stephen Low, United States Ambassador to Zambia, left today for Maputo and Lusaka to find a way to break the deadlock in a four-day visit to an attempt to bring about a fresh Rhodesian conference.

Diplomacy begins at home, page 16

Chilean diplomat freed by gunmen in Puerto Rico

San Juan, Puerto Rico, July 4.—An armed group demanding freedom for Puerto Rican nationalists imprisoned in the United States released the Chilean consul here today after holding him and three others hostage in the Chilean Consulate since yesterday afternoon.

The release of the consul came as the FBI here said the three armed men and a woman were ready to surrender to federal authorities. Earlier two lawyers entered the building where the four were holding their hostages.

The four had originally demanded the release of four Puerto Rican nationalists from American prisons and cancellation of Puerto Rico's Fourth of July celebration today in exchange for freeing the hostages.

They later softened their demands to say they wanted a statement from the Puerto Rican Government urging Puerto Ricans not to attend the celebration and for a statement from the White House promising to start work toward release of the nationalists, the FBI said.

The Government went ahead with plans for the military and civilian parade later in the morning and a local radio station quoted Governor Carlos Romero Barcelo urging a large turnout to show the public rejection of the gunmen's action.—AP.

ADVERTISEMENT

"THE AGONY OF PAKISTAN"

This 15,000 word report on the Trial of Zulfikar Ali Bhutto and Human Rights in Pakistan is published today, on the eve of the expected announcement of the verdict on the Appeal against the death sentence on Bhutto. It cannot be read in press-censored Pakistan itself.

Copies can be obtained at 50p, post free, from the publishers, The London Committee for Press Freedom and Democratic Government in Pakistan, 133 Regency Street, London SW1.



Vice-President Mondale conferring with President Sadat on the lawn of the Egyptian leader's house in Alexandria on Monday. It was at this meeting that agreement was reached on holding a peace conference in London.

Arab terrorism feared at London peace talks

From Christopher Walker
Cairo, July 4

Consultations are under way between the British, American, Egyptian and Israeli intelligence services to complete security precautions for the forthcoming tripartite meeting on the Middle East, now officially arranged to open in London on July 18.

The talks, which will involve the Egyptian and Israeli Foreign Ministers and Mr. Cyrus Vance, the American Secretary of State, pose a prestige terrorist target for those extremist Palestinian and West European groups dedicated to sabotaging President Sadat's controversial peace initiative.

Official fear have been reinforced by the discovery of an elaborate plot to wreck an earlier set of negotiations in the peace process which are being staged in Cairo. A total of 24 suspects, both Palestinian and European, have been arrested by Egyptian police.

It is common knowledge in diplomatic circles throughout the Middle East that radical Palestinian groups have been planning to upset any move towards a settlement unacceptable to them. In addition five Arab to them, Iraq, Syria, Algeria, Libya and South Yemen, are members of the so-called "steadfastness front", which is bitterly opposed to the continuation of negotiations with Israel.

The concern of the security agencies about the choice of London as a venue has been reinforced by the recent disturbing upsurge of Arab terrorism there. Since early last year this has included the daylight assassination of a former North Yemen prime minister, the murder of a leading moderate in the Palestine Liberation Organization and a mysterious explosion in the West End, which killed two members of the Syrian Embassy staff.

I understand that Western security authorities in Beirut have recently been monitoring ties between the Provisional IRA and radical Palestinian groups, particularly the Popular Front for the Liberation of Palestine which is under the militant control of Dr George Habash. For some years there have been official fears that the two sets of extremists, who already share training and weapon supply facilities, could possibly pool resources on a specific terrorist mission.

In Cairo, strict security is being maintained by all official sources about the meeting place for the London talks, which will be the most important in terms of Mr. Sadat's stalled initiative since the breakdown of the joint political committee last January. Although the agenda has still to be completed, it is thought likely they will last for at least two days.

Mr. Moshe Dayan, the Foreign Minister, apparently spoke with scepticism about the long-term viability of American promises and accused the Carter administration of seeking to undermine Israel's image and to present the Jerusalem Government as an obstacle to peace.

At the heart of the differences between the two governments lie their respective interpretations of the 1947 UN Partition Resolution. 242. Israel maintains that its plan for autonomy in the occupied West Bank and Gaza Strip is in keeping with the principles of military withdrawal laid down in the resolution; while Washington is firmly committed to the belief that Israel must give up the occupied territory in return for secure boundaries.

Mr. Rosen, from Pittsburgh, has won the gold medal in the cello section of the Tchaikovsky competition here.

But the results for the most famous section, the piano competition, will not be announced until tomorrow, and the 12 finalists await the decision of the international jury. Whoever is named is assured of a brilliant start to a career as a concert pianist.

The rigorous competition held once every four years draws aspiring soloists from all over the world. For this sixth competition some 220 pianists, violinists, cellists and singers arrived at the beginning of last month to compete in the month-long competition. By the third round the total had been whittled down to 52.

In the piano section there were 75 entrants. Of the 12 finalists two are from Britain—Christian Blackshaw and Terence Judd, whose performances have been highly praised by Soviet critics. Seven pianists originally entered from Britain, compared with 22 from the United States, the largest single group, and seven from the Soviet Union. Only one American, Gayle Martin, reached the finals.

Critics have agreed that the standard this year is as high, if not higher, than it has ever been. Competitors who practise up to six hours a day have been accompanied by too Soviet orchestras, and their concert, particularly of the finalists, have drawn large audiences to the Moscow Conservatory. Their playing has been broadcast nightly on Soviet television.

In the final round the competitors had to play Tchaikovsky's First Piano Concerto and of film confiscated, and were put on board the first aircraft out of Turkey, which happened to be a flight to Bucharest.

The confiscated film contained an interview with Mr. Bulent Ecevit, the Prime Minister, who was then leader of the Opposition, a session of the Turkish National Assembly, and a change of the guard at Ataturk's mausoleum in Ankara.

The Council of State said that it was unthinkable that journalists who were doing only their job should be "buddled out of the country like common criminals or members of an international conspiracy".

The four Swedes, led by Mr. Bo Holmstrom, had been filming a documentary about the political situation in Turkey. They were taken from their Istanbul hotel, questioned by the political police, had three reels

of film confiscated, and were put on board the first aircraft out of Turkey, which happened to be a flight to Bucharest.

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of film confiscated, and were put on board the first aircraft out of Turkey, which happened to be a flight to Bucharest.

From Michael Knappe
Jerusalem, July 4

It was supposed to be a goodwill visit. Mr. Walter Mondale radiated sincerity and conviction as he repeatedly expressed America's unshakable commitment to Israel's wellbeing.

The personable Vice-President did his valiant best to reinvigorate what he called "the spirit of Jerusalem", meaning the euphoria created by President Sadat's historic visit in November to launch his Middle East peace initiative.

Yet with the ceremonies and private discussions over and the red carpet wrapped up at the end of a four-day visit to Jerusalem, Israel's anxiety, suspicion and, some would say, paranoia persists. The fact that direct contacts have been

arranged between the Israeli and Egyptian Foreign Ministers—the first since the Egyptians withdrew from the Jerusalem talks in January—has inspired no great optimism here.

Mr. Mondale is regarded as a well-meaning friend but President Matar's Administration continues to be viewed with heavy distrust and in the eyes of most Israelis peace and security are as remote as ever.

Mr. Mondale spoke with eloquence and conviction and made several reassuring pronouncements including a heartfelt one over Palestinian Liberation Organization violence.

After visiting the victims of the latest incident of terrorism he said no purpose or goal could justify such suffering. This was welcomed by Israelis

who have been irritated by past American caution in linking the PLO with terrorism.

But the Vice-President's security and economic aid would not be used as a lever to influence Israel's political stance viewed with scepticism.

The belief in political circles here is that behind the facade of goodwill Mr. Mondale was drawn to some angry demonstrations from Israeli main-

Mr. Ezer Weizman, the Minister of Defence, is understood to have taken up the Vice-President's pledge not to use military assistance as a political lever and pointedly refused to give up the procurement delays which Israel was experiencing in receiving promised military supplies.

Five of the Soviet entrants got through to the final. One of them, Mikhail Pletnyov, has emerged as the clear favourite of the audience and at the end of the second round it was clear that he was in the lead, followed by Pascal Devoyon of France.

The marking by the jury, including a judge from Britain, is cumulative and finalists are judged on all three performances.

"You have to be hard as granite, and there's no time for being temperamental", Mr. Judd told a correspondent after a much acclaimed second performance. "But if you win the first prize the world opens up."

Previous winners include John Ogden of Britain, Van Cliburn of the United States and Vladimir Ashkenazy of the Soviet Union. All their pictures hang in the conservatory except Ashkenazy's, who left the Soviet Union and is now an Icelandic citizen.

Competitors made their own way to Moscow and are allowed to enter on the recommendation of their teachers. They are housed in hotels at Soviet Government expense.

One entrant who attracted considerable initial attention was Jerome Malry, a black pianist from San Francisco, who studied music in Los Angeles. His father wanted him to continue in the family plumbing business and his mother apparently was worried about the cost of the competition. But he did not get beyond the first round.

Mr. Keith Knight for the appellant admitted involvement in a drug ring since 1973 and providing a suitcase with a false compartment in which the cocaine was found at Heathrow airport when a customs officer intercepted one of the co-accused with whom the appellant had travelled from Angola. The prosecution case was that the cocaine was to have been taken from England to Europe and, possibly, thence to the United States.

In ordering the forfeiture of the money found on the appellant, Judge Solomon said that the case was an example of the "business of crime" in which the appellant was found to be involved.

It followed that the appellant (Note) (1978) RTR 240 (Note) in section 43 was rightly described as "an additional penalty over and above the term of imprisonment" but the description was not applicable to an order under section 27.

Mr. Knight argued that, if the time limit in relation to section 43 did not apply to an order made under section 27, hardship would be caused by the appellant being made liable to pay the costs of the appeal. However, where money was related to a drug offence, or to drugs themselves, which had been hidden away, their Lordships could see no justification for the order when the appellant was found and Mr. Knight's argument had not persuaded them that the construction they themselves discovered to put on the section was wrong.

The appeal was dismissed. Solicitors: Amhurst, Brown, Munn and Nicholson; Solicitor: Customs & Excise.

Bank Mellat v Personal Representatives of M. R. Amireymour (deceased)

Before Lord Diplock, Viscount Dilhorne and Lord Scarman [Judgment delivered June 29]

A judgment entered in an action when there was no person in existence against whom the debt of money judgment could be taken was held to be nullity.

The Court of Appeal dismissed an appeal by Bank Mellat from a decision of the Chancery Division (1977) 1 W.L.R. 1185, 1186, 1187, 1188, 1189, 1190, 1191, 1192, 1193, 1194, 1195, 1196, 1197, 1198, 1199, 1200, 1201, 1202, 1203, 1204, 1205, 1206, 1207, 1208, 1209, 1210, 1211, 1212, 1213, 1214, 1215, 1216, 1217, 1218, 1219, 1220, 1221, 1222, 1223, 1224, 1225, 1226, 1227, 1228, 1229, 1230, 1231, 1232, 1233, 1234, 1235, 1236, 1237, 1238, 1239, 1240, 1241, 1242, 1243, 1244, 1245, 1246, 1247, 1248, 1249, 1250, 1251, 1252, 1253, 1254, 1255, 1256, 1257, 1258, 1259, 1260, 1261, 1262, 1263, 1264, 1265, 1266, 1267, 1268, 1269, 1270, 1271, 1272, 1273, 1274, 1275, 1276, 1277, 1278, 1279, 1280, 1281, 1282, 1283, 1284, 1285, 1286, 1287, 1288, 1289, 1290, 1291, 1292, 1293, 1294, 1295, 1296, 1297, 1298, 1299, 1300, 1301, 1302, 1303, 1304, 1305, 1306, 1307, 1308, 1309, 1310, 1311, 1312, 1313, 1314, 1315, 1316, 1317, 1318, 1319, 1320, 1321, 1322, 1323, 1324, 1325, 1326, 1327, 1328, 1329, 1330, 1331, 1332, 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Law Report July 4 1978

Chancery Division

Administratrix too late to deny liability

Midland Bank Trust Co Ltd and Another v Green and Another (No. 2)
 Justice Oliver
 [Judgment delivered June 27]

The Lordship held that the court had no jurisdiction to allow a personal representative to sue after judgment against the deceased's estate had been given, to enter a defence raising a plea of plene administravit. Even if the court had such a jurisdiction, the plea would be inappropriate where the personal representative's original defence had been accepted, and the court had entered judgment against the estate.

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Susan Campbell
 creates ices for
 every taste.

The following recipes will all need to be beaten by hand, or in an electric sorbetière, or in a churn while they freeze (with the exception of the coffee parfait).

Water ices and sorbets

These are the easiest to make. With a basic lemon-ice mixture you can work out all sorts of variations. In turn a water ice into a sorbet add a blob or two of stiffly-whipped egg-white. This softens the texture and lends stability, but as these ices melt fairly fast they should be served in goblets. Watch the proportion of sugar (this applies to all ices). If it is too high the mixture will never freeze. A sachcharometer, pasteuriser, useful here: they are impossible to find in English kitchen-gadget shops but W. A. E. Busby, 36 Farnborough Rd, EC1, manufactures them and their testing jars. A heavy Bessemer sachcharometer costs £1.50, jar 50 or 75p. The total sugar density for ices should read between 18° and 22° at 60°F. Of course one can manage without this gadget but it means a little more guess work. Note too that in all ices flavours need to be strong and assertive before freezing, as very cold food tends to numb the taste buds.

Lemon water ice

for 5-6
 1 pint water, 10oz sugar, 3 lemons, 2 oranges
 Peel the fruit as thinly as possible (the pith is bitter). Boil peel, sugar and water together for five to six minutes then leave it to cool completely. Add the juice of the lemons (oranges, if you like) and stir well. Strain and freeze by whatever method you have.

For fresh mint, verbena, blackcurrant leaf, rose geranium or elderflower ice boil a syrup exactly as above, peel and all, then as soon as it is taken off the heat add the roughly chopped or crushed leaves of any one of these fragrant plants. Leave to infuse all cool, then the fruit juice as above, strain and freeze.

Grapefruit ice

for 6-8
 1 pint water, 10oz sugar, 2-3 grapefruit (depending on size), small measure of gin (optional)
 Boil sugar and water together for 10 minutes. Add the grated peel of one grapefruit, and leave the syrup to cool completely before adding the strained grapefruit juice. If this is for an adult dinner party add the slug of gin. Freeze. This makes a most refreshing and stimulating ice.

Melon ice

for 8
 Good ripe melon of the charentais or canteloup type, weighing about 1½-2lb, syrup made by boiling together 8oz sugar and ½ pint water for 5-6 minutes (and then cooled), 2 oranges, 1 lemon, 1 tsp orange flower water
 Cut the top off the melon so that it forms a wide lid. Take out the seeds and fibres. Scoop out the fruit leaving the shell intact. Sieve the fruit and measure it (there should be about 1 pint). Add an equal quantity of syrup. Add the juice of the oranges and lemon and the orange flower water. Mix well and freeze as usual. Serve in the traditional way, on a crisp white napkin.

This recipe is easily adapted to any other juicy fruit that can be puréed—raspberries, redcurrants, blackberries, peaches, pineapples, for example. Use orange or lemon juice to brighten the flavour, but do not let it predominate. Make sure seedy fruit is sieved.

Spoons

The official name for a water ice based largely on wine, spirit or liqueur, is a spoon. The addition of partially-cooked egg whites and gelatine helps to increase stability, which is weakened in this case as in others by alcohol. The recipe for this spoon comes from Nico Ladenis, chef and proprietor of the celebrated Chez Nico restaurant in Dulwich. It makes a fine finish to a meal, but it wouldn't suit children.

Sorbet au monbazillac

for 4-6
 10oz sugar, ½ pint water, 1 orange, 1 lemon, 1 pint of a good Sauternes (Monbazillac or Barsac), ½ pint very good brandy, 2 teaspoons gelatine powder, 2 egg whites, 1 level tablespoon icing sugar
 Boil sugar and water with the thinly-peeled orange and lemon rinds for 5-6 minutes. Strain and cool completely, then add the juice of the lemon, the wine and the brandy. Mix well and put it to cool on ice. Dissolve the gelatine in 4 tablespoons of very hot water. Leave this on one side. Take a large saucepan and a rotary whisk and over a very low flame beat the egg whites and icing sugar for 30 to 40 seconds, or until they form a fine, thick and firm meringue. Fold the meringue, still warm, into the chilled wine syrup mixture and churn or whisk it; then chill it again for 3-4 minutes so that it cools quickly and amalgamates well. Reheat the gelatine to as hot as you dare and pour it at once into the sorbet. Mix well and freeze.

My turn for this column comes with school holidays imminent, fresh fruits and cream at their best and the hope of surely more than a few fine days ahead. It therefore seems a good idea to write about home-made ice creams.

It also provided a good excuse for experimenting with two pieces of kitchen equipment which I didn't have before—an electric sorbetière and a manually operated ice cream churn. Both make superlatively good ices, a great improvement on the ones I used to make, by putting the mixture to freeze in a covered tin. This was left, either to the shallow ice-making compartment of my fridge or nesting between packets of last year's runner beans in the deep freeze.

From time to time, if it could be caught while it was still slushy and before it set solid, the whole lot had to be tipped out into a bowl, agitated

with a fork or beater and then refrozen until it reached the required consistency—if a sorbet. Light, fluffy and slightly crisp, if an ice cream soft, unctuous and slowly melting. For both these conditions the vital ingredient is air; without it you end up with a brick-sized lead jelly. It is therefore a great advantage to have an appliance which stirs the mixture as it freezes.

Electric sorbetières will fit into all but the smallest of freezing compartments; they are usually capable of holding up to a quart or a litre of ice cream. A small motor gently turns a set of paddles through the mixture. In most models as soon as the ice sets the paddles are immobilized (i.e. frozen in) and the motor cuts out. In the model I tried, the Tefal SEB Ice Cream Maker, the paddles are designed to lift as soon as the mixture thickens: and

you switch the motor off yourself. This was mostly successful but the disadvantage is that if you start with a very thick and creamy mixture the paddles lift out straight away. This model costs about £10. Others vary in price from £10 to £20.

An old-fashioned churn is in many ways a better tool for the job. A bucket of ice and salt encases a tin tub of ice which revolves around a stationary paddle. I know you have to crank it yourself and bias of chipped ice and salt are liable to slide about all over the kitchen floor but it works fast (which is more than I can say for the fridge-based sorbetière); it is capacious (holding more than twice as much as the sorbetière); it is fun to operate and it is portable. Moreover, there is nothing likely to go wrong with it.

Two quarts of ice cream can be frozen in as little as 20 minutes; the

churning requires no effort, being about as arduous as winding the handle of an old-fashioned gramophone. Blocks of ice can be made for it in the freezer or, if you have no freezer, brought ready-crushed from a fishmonger. Crushed ice combined with the cheapest coarse salt brings the revolving tub of ice cream into close contact with a temperature far lower than that of air in a fridge or freezer. Once the ice cream is frozen you can finish it off in a deep freeze or leave it to "cure" for an hour in the ice bucket.

This resting period is important for all ices: the flavour develops while the ice firms up. I chose the Dolly Madison Ice Cream Freezer, an American model which varies in price from £18 to £23, depending on where you buy it. Electrically powered models cost £12 to £14 extra.

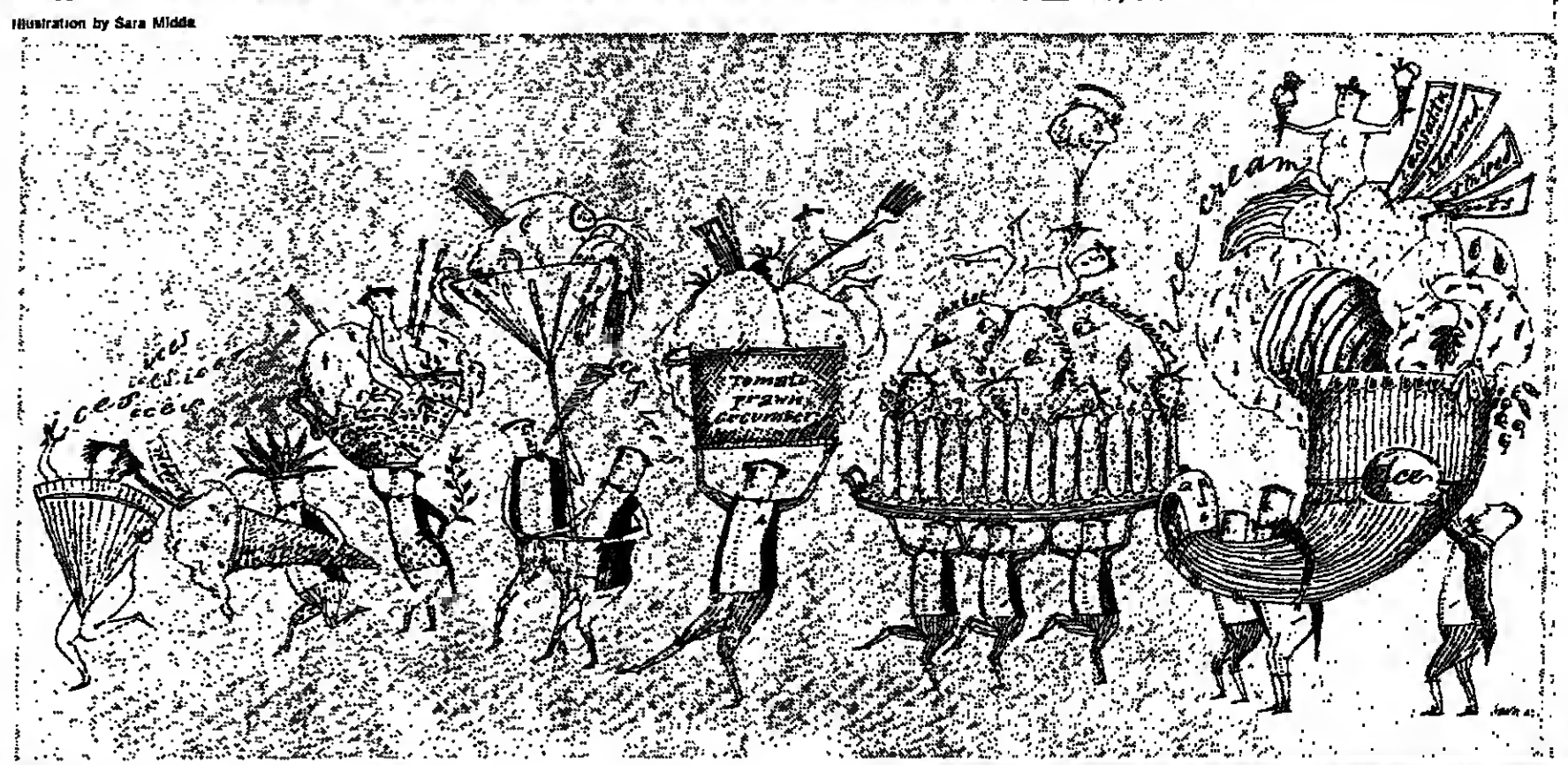


Illustration by Sara Middle

Ice creams proper are made of nothing but frozen whipped cream incorporated with pureed fruit. Frozen foods in fact. Most fool recipes can be turned into ice cream, but for economy, the fruit should be frozen first, then take and a really smooth texture, custards or egg mousses can be used to eke out the cream.

Ice creams based on custards

These are usually made without fruit, which could curdle the mixture. The most suitable additions to a custard-based ice are chocolate, coffee, tea and nuts or glacé fruits. Vanilla ice is the base for most of these. This is a very rich version. Use more milk, less cream and fewer egg yolks if you wish to economize. Serve it in a coupe with pieces of whole fruit and sauce Melba, or with chocolate or butterscotch sauce.

Rich vanilla ice cream

for 6-8
 5 egg yolks, 4 oz sugar, ½ pint milk infused with real vanilla pod, ½ pint double cream
 Whisk the egg yolks and sugar together until the mixture is very pale and falls in a ribbon from the spoon. Still whisking, add the strained hot milk slowly. Mix well and return this mixture to the rinsed-out pan. Cook it over a very low heat, stirring continuously until the custard coats the back of a wooden spoon and you can draw a lasting line through it with your finger. Allow it to cool completely before folding in the lightly whipped cream. Freeze.

Tea ice cream

To make the same quantity of tea ice cream, replace half the milk in the above recipe with a really strong infusion of a fragrant tea such as jasmine, Earl Grey or (my favourite) the very smoky Lancashire Souchong. This ice is quite delicious, though it is not appreciated at all by children who much prefer...

Coffee ice cream

Made by infusing freshly ground coffee in the milk instead of a vanilla pod. Or...

Chocolate ice cream

Where half the milk is replaced by 4 oz best bitter chocolate melted in ½ pint of water.

Ice creams based on egg mousses

Ice creams made with sharp, cooked fruits such as apricots, plums or gooseberries or with fresh raw fruits such as raspberries, strawberries etc, should be based on a milkless egg mousse. These ices are richer than custard-based ices.

The usual way is to pour hot syrup over the egg yolks, which cook with its heat as you whisk them, trebling in bulk and becoming light and foamy. I prefer to do it Nico Ladenis's way, which is: beat the egg yolks lightly with icing sugar, then, still beating, place the bowl carefully over a pan of barely simmering water. When the mixture is just lukewarm remove it from the pan and go on beating till cool. This recipe, based on egg mousses, is a good way of sharing one delectable but very expensive fruit among several people.

Mango ice cream

for 5-6
 The sieved fruit of one very large ripe mango, sweetened to taste and sharpened with a pinch

of salt, 3 egg yolks, 2½ oz icing sugar, ½ pint whipping cream
 Make the eggs and sugar into a mousse (as above). Fold in the mango purée. Fold in the whipped cream. Freeze. The colour is beautiful.

A parfait is also based on an egg mousse. Because it consists of little besides the partially cooked whipped egg yolks and whipped cream it can be frozen as it is—a perfect airy mass that needs no more air beaten into it. This is Nico's parfait. He says his customers don't ask how to make it "they just order second helpings".

Coffee parfait

for 4
 5 egg yolks, 2½ oz icing sugar, ½ pint double cream, 1 tsp Nescafé, small measure of brandy
 Make an egg mousse as above, using half the icing sugar. Lightly whip the rest of the icing sugar into the cream with the Nescafé and the brandy. Fold the two mixtures together, using your hand. Pour it into a mould from which it can be turned out for serving. Freeze without stirring at all. Serve with a warm chocolate sauce made by whisking together, in a small pan over low heat, 3½ oz bitter chocolate, broken up, 2 tablespoons of golden syrup and 2-3 tablespoons of water.

Yoghurt ices

Ice creams don't have to be sweet, rich and creamy—indeed they suit some people better if they are not. This apricot ice, based on yoghurt, is deliciously sharp and refreshing; it is, of course, nicer with the addition of the soured cream, but it can be made without.

Sharp apricot ice

for 4-5
 1½ apricots, glass white wine, sugar (or artificial sweetener) to taste, ½ pint plain yoghurt or 1 pint plain yoghurt and ½ pint soured cream
 Stone the fruit and gently poach it with the wine. Sieve it and sweeten to taste. (It should not be too sweet.) When cool mix with the yoghurt and optional soured cream. Freeze.

Savoury ices

There is no reason either, why ices should not be savoury, to be eaten at the start of a meal rather than at the end, or between entrées as they were in earlier times. This tomato ice combines well with prawns, shrimps, crabmeat or little bits of lobster. It can be served in goblets like the ubiquitous prawn cocktail and it makes a pleasant surprise when it turns out not to be one. Put a lettuce leaf first, the seafood next and the tomato ice on top. Poppadums or water biscuits go with it.

Tomato ice

for 6-8
 1½ tomatoes, peeled, de-seeded and coarsely chopped to a pulp, the juice of half a lemon, 1 tsp salt, 1 tsp sugar, freshly ground pepper, dash of tabasco or chili sauce, 2-3 tps finely chopped fresh herbs (such as parsley, basil, mint, chives), ½ pint mayonnaise, ½ pint whipping cream, dash of tomato purée to improve the colour if necessary
 Combine tomato, seasoning, herbs, purée and mayonnaise. Whip the cream and fold it in. Freeze. Serve mushy but not melting.

Sorrell ice

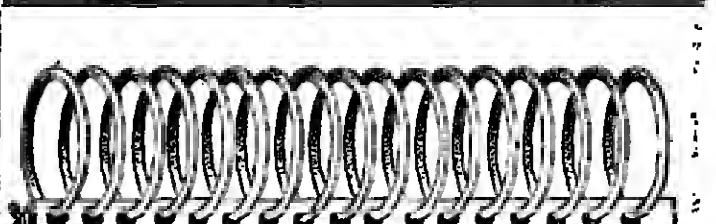
for 6
 1½ fresh sorrell or 6 oz frozen sorrell purée, ½ pint cream, squeeze of lemon
 If you are using fresh sorrell wash the leaves and strip off their stems. Keep one or two leaves to add to the ice, chopped raw. Cook the rest in their own juice until they become a sloppy purée. Add a squeeze of lemon; allow it to cool. Beat the sorrell and sour cream together, add chopped raw leaves. Freeze. Serve in small portions with fish. Water biscuits or tea mazes go well with it for crispness.

Biscuits or wafers are to my mind essential accompaniments to all ices, as is a glass of cold water. This old recipe for Geneva wafers can be adapted to make little round wafers, little cones if you have corner moulds and langues de chat if you are clever with a pastry bag.

Geneva wafers

makes plenty

3 oz butter, 3 oz castor sugar, 3 large eggs (well beaten), 3 oz flour sieved, optional flavourings of orange or lemon peel (grated), or almond or vanilla essence
 Heat the oven to 300°F gas 2. Grease some baking sheets. Cream butter and sugar together well. Add alternate spoonfuls of egg and flour, beating well.
 To make flat wafers, drop tiny teaspoonfuls of the mixture out to baking sheets, bake 15 minutes, remove as soon as they take colour.
 To make cones, bake 5 or 6 large teaspoonfuls at a time. When nearly done but still pale and soft, lift them and roll each one round a cornet mould. Return them to the oven to crisp up.
 To make langues de chat, pipe 2½ inch lengths of the mixture through a small plain nozzle, leaving room for the mixture to spread flat. Remove as soon as they colour.



MAGIMIX RECIPE NOTEBOOK

* PASTRY IN 30 SECONDS!

Make all pastry in your Magimix food processor for speedier, better and lighter results. Use your favourite recipe combining the flour and fats, processing them until the mixture resembles coarse breadcrumbs and then incorporating enough liquid through the feed tube (with the machine switched on) to make a firm, smooth dough, which will form a ball around the metal blade.

* MAYONNAISE IN A MINUTE!

There is all the difference in the world between a really good, classic mayonnaise and one that does not quite come off. With the Magimix food processor you can be assured of success and of producing a gloriously pale golden sauce that is thick enough to stand a spoon up in, and which has the shine of a rich satin. And it is unbelievably easy and quick! METHOD: Place 2 egg yolks and 1 tsp. dry mustard in the Magimix bowl with 1 tsp. wine vinegar and process until the egg yolks are well mixed. With the machine switched on, gradually add ½ pint olive oil, pouring it in a slow, steady stream through the feed tube, and continue to process until the oil has been used up and the mayonnaise is very thick and shining. Gradually add 2 scant tablespoons wine vinegar, still with the machine switched on. Stop the machine, season with salt and pepper and process for just long enough to mix in the seasoning.

Recipes taken from The Magimix Food Processor Cookbook by Marika Hanbury Thomson. Price 24.95.



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VAT payable on company's long service gifts

RHM Bakeries (Northern) Ltd v Commissioners of Customs and Excise
 Before Mr Justice Neil

A company which presented gifts of clock watches to its employees who had completed 25 years of service was liable to VAT on the gifts because the watches were supplied in the course of the company's business, for the purpose of section 2(2)(b) of the Finance Act 1972.

His Lordship dismissed an appeal by RHM Bakeries (Northern) Ltd, a company which presented gifts of clock watches to its employees who had completed 25 years of service, was liable to VAT on the gifts because the watches were supplied in the course of the company's business, for the purpose of section 2(2)(b) of the Finance Act 1972.

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THE ARTS

A date with Algeria

Children of the Revolution
BBC 1

Michael Church

Is Julian Partier getting too good at his job? He should study the career of his talented but now insufferably glib fore-runner Robert Kee, and beware. *Children of the Revolution* was in every way a beguiling 50 minutes, with its exquisite photography, its eloquent commentary, its amiable and articulate interviewees and its bitter-sweet references to the civil war. Algeria the vast, the mysterious, Algeria the land of social paradox and rich ethnic variety: Algeria without tears. There is as yet nothing ghastly about Partier, but there is something a shade too felicitous about the way his images fit his words, and about his deft thematic connections. We did not get to know the grown-up children round whom this film was built: they were examples, each the key to his or her particular bit of the pattern. Education, health, industry, agriculture, politics—each area was subjected to a civilised scrutiny which pulled back repeatedly just when it seemed to be getting somewhere interesting. Perhaps this warning should be issued not to Partier but to those who employ him: you simply cannot "do" a country four times the size of France in 50 minutes. Perhaps the remedy lies on the cutting

room floor—matter for another film, but this time leisurely and discursive. Why is it that the people who will happily foist on us endless hours of Zoe playing Sarah or Glenda playing Brenda are so terrified of boring us with analytical and well-observed presentations of real life?

At all events *Children of the Revolution* contained much that was memorable. Searing truths periodically surfaced through the interviews. Visually, it was very suggestive: the end-of-term school play; a full-dress Barber wedding complete with tubulars; wailing like pyramids with just one hole for an eye; a defiant girl moving through the crowd unveiled. Children waved at the cameras from the roofs of their shacks on a sea of mud. The cameras focused from afar on the Mondrian-like patterns made by the blankets strewn on a block of flats, and then zoomed in to show that these were pockmarked everywhere by bullet holes.

Being basically a cheerful account, the film did not dwell on the aftermath of the war's worst excesses (the hideous slaughter of the pro-French Muslims) or on the negative aspects of Boumedienne's iron grip. It looked perceptively at Algeria's painful slog towards a respectable economic position, and sympathetically at the rural quandary in which many young Algerians apparently find themselves—feeling a greater affinity with the French than they do with the inhabitants of other Arab countries.



Franz Liszt at the piano which he made famous

A very grand piano still going strong

For the lay concertgoer a piano is just a piano. Most musical people go to hear a particular selection of music, the work of composers each different from the other, played by a particular pianist whose interpretations will be quite different, if only in detail, from anybody else's. Professional instrumentalists know that each instrument responds individually. A singer has only one instrument, the one inside his/her own physical frame; the instrumentalist has to play on a foreign body, discovering its musical potentiality and exploiting it in any part of call on a tour.

It is the grand boast of the house of Bösendorfer, which celebrated its 150th anniversary during the Vienna Festival, that every piano made there is unique, with its own calculated individuality dependent, in the first place, on the precise dimensions of the frame round which it is built; and that any pianist's special wishes can be incorporated into an instrument during manufacture. During my week's visit to the Bösendorfer works at Wiener Neustadt, together with other music critics from many countries, and also spent a morning in the Vienna showroom, where finishing touches are put to each new piano. "Manufactured" is for once the most just: from the moment when the frame arrives, every part of the piano is made by hand, and although the action is bought from a German factory it is for Mozart's piano music, where the clatter of the

instrument's action is part of the composition (though Mozart did want his playing to sound like "oil and water"). Mr Kliebe plays often in Britain, so I will not dwell on the mannered staccato and lazy dotted rhythms which sometimes marred his readings for me.

In the big hall of the Musikverein, later in the week, the Bösendorfer jubilee was honoured with a gala concert by the Vienna Philharmonic under Horst Stein. Speeches were made, and the Bösendorfer Ring was presented to Paul Badura-Skoda (the second award ever). He played Mozart's C major concerto, K.503, with abundant spirit in the finale, great sensibility in the slow movement, imperfect poise in the spacious and marvellous (very difficult) first movement where his touch sounded uncomfortably hard for the music, but not at all plummy, nor yet metallic.

Gerhard Oppitz, the young pianist from Munich who won the Rubinstein competition in Israel a year earlier, played Beethoven's fourth piano concerto. It was a characteristically youthful reading, sometimes coarse and clumsy, or hurried (all appropriate to Beethoven, if not necessarily to this most civilized and thoroughly appreciative of the instrument's natural sonority and capacity for decisive attack, for example in trills, tricky poetic in articulation and nuance, especially in the first movement coda. He gave an excellent idea of what the instrument can do, and what it should not be asked to do.

Back in their regular home at the State Opera I heard the Vienna Philharmonic Orchestra twice, both times under Horst Stein who was working hard

that week. The Staatsoper's new production for the festival was Henze's *Der junge Lord*, that curious comedy about an eccentric English nobleman who descends upon a little German town, insults its society by refusing to mix socially, then produces an elegant "oepheu" who turns out to be an ape.

It has been staged in London, but will never, I think, be a success here because the music, pretty enough, is so secondhand. The snobbish irony of the story may inflict a *Schadenfreude* wound or so in Vienna where the piece was beautifully staged by Gustav Selner, with exquisitely atmospheric sets by Federico Pallavicini whose view of the town under snow looks perfectly stunning after its earlier summer manifestation.

Wilma Lipp and Murray Dickie, favourites here some years ago, were both in star turn. As the soprano heroine, Lucy Peacock stole my heart, and Heinz Zednik, as the young lord, was a delightful show at a level lower than we expect from Henze.

For my last evening in Vienna I chose to visit the famous Volkoper, where Lehar's *Count of Luxemburg* was in full swing. I expected routine and was delighted to find a modern production by Robert Herl, spare and evocative sets, including a revolving stage, a truly excellent conductor in Rudolf Eibl, and a jolly cast led by Adolf Dellapozza, who was almost overshadowed by the robustly comic and athletic Prince of Rudolf Wasserlohn, a star if ever there was one.

William Mann

Having just completed two series of Scottish Proms, Sir Alexander Gibson brought his Scottish National Orchestra to the concert (the holidays yet—they still have some recording sessions to complete), for a concert on South Bank. Their programme included one reminder of the past season, another of the season to come.

The project to come this winter is a cycle of all six symphonies by Carl Nielsen. They have recorded the fifth; in this concert they gave us No 4, "The Inextinguishable", still a contemporary reality in the hall although familiar through records and the radio.

Danmark's leading symphonist was a true eccentric: his musical vocabulary seems to be straightforward (the big tune in the "Inextinguishable", representative of something like the vital force, is nothing more recalcitrant than a descending scale, although it makes a real melody, and a haunting one), but it is applied quite unconventionally. Truly persuasive interpretations of Nielsen's music are seldom to be heard in live performance.

Gibson has the measure of Nielsen 4: first, and most vitally, a natural appreciation of its long spans, the elusive connexion between extreme contrasts; then a real feeling

Under Milk Wood
May Fair

Ned Chaillet

Poetic drama is not the exclusive province of Christopher Fry and, as he receives a revival at the Old Vic, the Welsh National Theatre Company are celebrating the twenty-fifth anniversary of Dylan Thomas's radio play, *Under Milk Wood*, with a production down to London's May Fair. The play is, as befits Thomas's talent and its former radio medium, more poetic than dramatic, but the production is also good evidence for the campaign sponsored by the cast and staff to have Thomas commemorated with a plaque in Poets' Corner at Westminster Abbey.

The imaginary community of Milk Wood is probably too idyllic for present tastes. It is true that one of the 39 voices in the play, a much-abused husband, dwells on thoughts of poisoning his wife, but Thomas's genial understanding lets that remain as a satisfactory fantasy. There is no more harm there than in the fabulous drunkenness of May Day, or in the erotic thoughts of an adolescent girl, proclaiming her

sinfulness to an audience of goats.

Thomas's talent is not for the tragic, but is marked by an enthusiasm for life, lust and fertility. The rich humour in his play is caught by Malcolm Taylor's direction, though the more infrequent melancholy is too often disguised by a smile from the actors.

At first only two narrators are visible on the edge of the stage, but then the actors, shadows behind a screen, begin to speak their sleeping thoughts and their heads show against a shimmering background of sea water. As dawn breaks, the actors become visible, six performers taking the many voices of the town's inhabitants. They are too evenly spaced on the stage, assigned symmetrically obvious positions, but their individual talents manage to impress themselves.

Among the number is Aubrey Richards, an actor who has been part of the play since its first BBC production, but the entire company work together with a good comic sense. While Sharon Morgan, singing of a lost lover and conveying an earthy sensuality, makes the strongest impression, everyone serves Thomas with admirable skills, letting his lyrical sense set the mood.

SNO/Gibson
Festival Hall

William Mann

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for the red-hot passion, the searing attack, and the quirky, aggressive humour, as well as (less elusive) the gentle, intimate lyricism. Nielsen's is not music of civilized restraint: "all or nothing" is the motto, and Gibson gave all.

The finale with its two con-fronted sets of kettle-drums sounded more than magnificent; the heavy brass might almost have lightened the load, as it should have done in the coda of Beethoven's *Cosmic* overture, whose brilliant initial runs for strings showed the discipline of the SNO impressively (and there is a similar passage at the end of Nielsen's third movement, again played with splendid unanimity).

A feature of the SNO season just ended was a cycle of Beethoven's piano concertos. From those they brought the third to London, with Peter Frank as soloist. Orchestrally it was often heavy-handed, pianistically not without awkwardness; but it is always a joy to watch Mr Frank turn a dashing corner, or phrase a melody's curve, or bring off a fast scale, only just in time to meet the next downbeat. It is all in his physical appearance, as if he were a trick-cyclist on the wall of death, and the motivation is all musical.

For more than good measure, the SNO gave us also Britten's *Serenade* with their principal horn, Frank Lloyd (a nice line in natural harmonics, but a Frenchified vibrato not to my taste) and Robert Tear (in fine voice, not artistically quite at ease) as soloists.

Aeolian Quartet
St John's/Radio 3

Max Harrison

It was a soundly musical idea for the Aeolian Quartet to couple Schubert's C minor Quartet with Schoenberg's Quartet No 1 in their lunch-time concert on Monday, for it was in these two works that the composers found themselves as writers for this medium. And although these scores are separated by 85 years, they are complementary in the further sense that Schoenberg lightly prefigures the multi-planned complexity of Schoenberg's vast single movement while the latter contains distinct Schubertian echoes.

Although it was a pity the Aeolian Quartet had to omit Schubert's exposition, they achieved a nicely balanced tension in their account of the Quartet, in which darkly passionate and celestially lyrical passages alternate. Schoenberg took the implications of this music further, rolling the four normal quartet movements into one.

the whole being further complicated by an ongoing developmental process. It says something, too, for his cruelly demanding quartet writing that although this piece was composed in 1905, it still requires a virtuoso ensemble.

Schoenberg makes so much happen at once that at some points it is hard to maintain a basic pulse, and in the earlier stanzas on Monday the four instruments several times seemed as if they were unduly going their own separate ways. Then, also, the Aeolian Quartet sometimes adopted tempos rather slower than those favoured by the top international ensembles. This may have been positively helpful, though, to listeners unfamiliar with Schoenberg's first quartet, and the results only here and there sounded laboured.

Under stress the Aeolian players too suffered in quality, but harmonies, col legno and other special effects were excellently done. However, they should have relaxed and softened more in the quiet and slow passages, especially at the very end, for there is more serene beauty in this work than is generally realized.

Billy Connolly in
opera

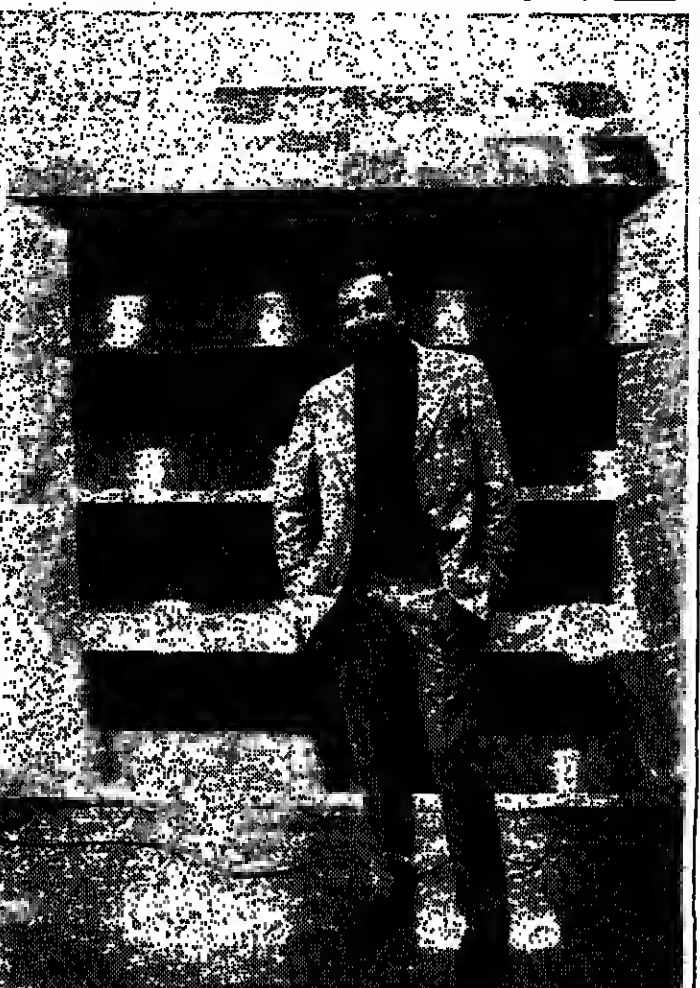
Billy Connolly will make his opera debut on January 22. He appears as the jester Frosch in Scottish Opera's *Die Fledermaus* at the Theatre Royal, Glasgow.

That performance has been designated a gala and will be conducted by Sir Alexander Gibson.

Richard Hamilton at
the National Gallery

The painter Richard Hamilton is responsible for the second in the series of *The Artist's Eye* exhibitions at the National Gallery, which will be on show from today until August 31. The exhibitions enable an artist to show how his or her work relates to the art of the past.

Some of the notices on this page are reprinted from yesterday's later editions.



Photograph by Jonathan Player

The Rauschenberg story

As a man, the American painter Robert Rauschenberg has something of the same exalting quality which has been noted in his work. He is a youthful-looking, extrovert, articulate and amusing Texan (by origin) of 52, and has been in London for an exhibition of recent work at the Modern Gallery in Cork Street, which runs till August 11.

Like the late rock singer Janis Joplin, he was brought up in Port Arthur, Texas. "She used to say that we were the only two who got out of Port Arthur. But perhaps she got too far out," he said, standing up throughout our interview.

His father, who was of German and Cherokee origin, worked for the local light and power company; his mother was of Dutch and Swedish stock, and the atmosphere at home was wholly unspoiled. The idea that he might have nurtured boyish ambitions to be a painter amused him. "I don't think anyone brought up in Texas ever thought they were going to be a painter. It was just not in the language. It was not till I had been in and out of the navy that a girl friend said: 'You're an artist. Why don't you give it a try.' She was from the sophisticated state of Kansas," he recalled with a laugh.

son of Dada, and prompted some reexamination of his earlier work, but it was a few years before he began to sell much.

Deciding about ten years ago that the demands of New York were too urgent, he moved to Captiva Island, Florida, on the Gulf of Mexico. He has kept his old place in New York, where he rents the studios and energy which New York gives, but anxious not to be eclipsed by it. He says he takes what he learns in New York and works on it in Florida.

Rauschenberg wondered whether his unusual working day could be described as owl-like. "Every day I wake up with the same inhibitions," he said. "It takes me till five, six or seven o'clock in the evening to shed them. I use them to do things that have to be done, like ordering supplies or telling people I'm out. The later it gets and the more exhausted I feel, the freer I am." He doubted whether owls had the same problem. His ideal is to be in a state where he is following his mind, not leading it: his own best spectator.

He is no longer married, but has a son who started off as a physicist and is now an art photographer with works in several museums. The past three years have been dominated by a large retrospective exhibition which was seen in Washington, New York, San Francisco, Buffalo and Chicago. Helping get together 30 years of work was, he says, like going into analysis: all of a sudden you're confronted with all those works with an emotional history which the viewer doesn't see. "So now he has decided to give himself a treat and incorporate in his new work techniques previously spread over different periods.

The basic one is the use, in various forms, of photographs called from magazines from all over the world to which he subscribes, cutting out appealing images and classifying them in boxes marked "sports", "motorised", "abstract", and so on, for future use. He hopes his juxtaposition of images acts on the viewer as a kind of spiritual invitation to speed off in different directions. He aims to leave the viewer's options open. "If I wanted to convince you to think like me, I would miss out both sides of the coin of tolerance." Roger Berthoud

The Lady's Not for
Burning
Old Vic

Irving Wardle

With Rattigan and N. C. Hunter reinstalled in the West End, Christopher Fry is the last victim of the 1950s purge awaiting rehabilitation, which the Prospect company are attempting in this extremely well cast revival of his best known play.

Set more or less in the year 1400, and centring on the relationship of an embittered Flanders veteran and a girl accused of witchcraft, this "springtime" comedy shows the rebirth of human hope along with the new year—this being the explanation usually offered for its popularity with the war-weary public of 1948.

It is beyond question that *The Lady's Not for Burning* sent a lot of people out into the night feeling a bit more glad to be alive in austere Britain; and after all the knocks its author subsequently endured, there is every temptation to make a few amiable noises about this charming old piece and leave it at that. However, the impact of the play is one of such mercurial calculation that polite banalities die on the lips.

Fry set out to demonstrate that the world is a wonderful place whose wonders are concealed from us by deadening habit. To establish that viewpoint, he selects a most unworldly setting: a medieval village beset by superstition, torture, and burnings, with a mob of bloodthirsty yokels yowling (evidently in George Baker's production) outside the mayor's walls. The comedy will arise from the contrast between that unlovely society, and the anachronistic delicacy and wit with which its inhabitants express themselves. Well and good except that their method of expression also wipes out the facts of life. There is never any real sense that Jemmet Jourdemayne may go up in smoke; nor that her lover Mendip has been given



Eileen Atkins, Robert Eddison and Derek Jacobi

the thumbcrews; least of all that the Church (embodied in the apologetically childlike figure of the Chaplain) is a vigorous promoter of such entertainments.

Instead, as many have said before me, we find Fry making poetry out of already poetized material, and the figures in flowers and stars; searching out pretty words like shiny pebbles on the beach; pursuing fanciful metaphors down the blind alley of literary analogy regardless of the dramatic appropriateness, truth to character, or rhythmic obstructiveness.

Fry's wit, which is considerable, comes in one-liners (often punctuating a foregoing flowery aria), but as for extracting poetry from the given situation, his method is to bypass it with the anti-rational scepticisms so typical of the postwar verse dramatists ("What greater superstition is there than the mumbo-jumbo of believing in reality?", etc.).

The light, glancing tone on which the piece depends for its life is carefully maintained in the central casting of Derek Jacobi, more bantering ironist than world-weary combat veteran, and Eileen Atkins, who brings the lyrical authority of a Shakespeare heroine to the role of Jenner. From her, even the tortuous metaphors seem

to carry the true voice of feeling. The two buffo authoritarians get buffing and puffing performances from Michael Danson and John Savident; but Fry's comedy gets all and more than its due from Brenda Bruce as the distracted mistress of the house and Robert Eddison's seraphic chaplain.

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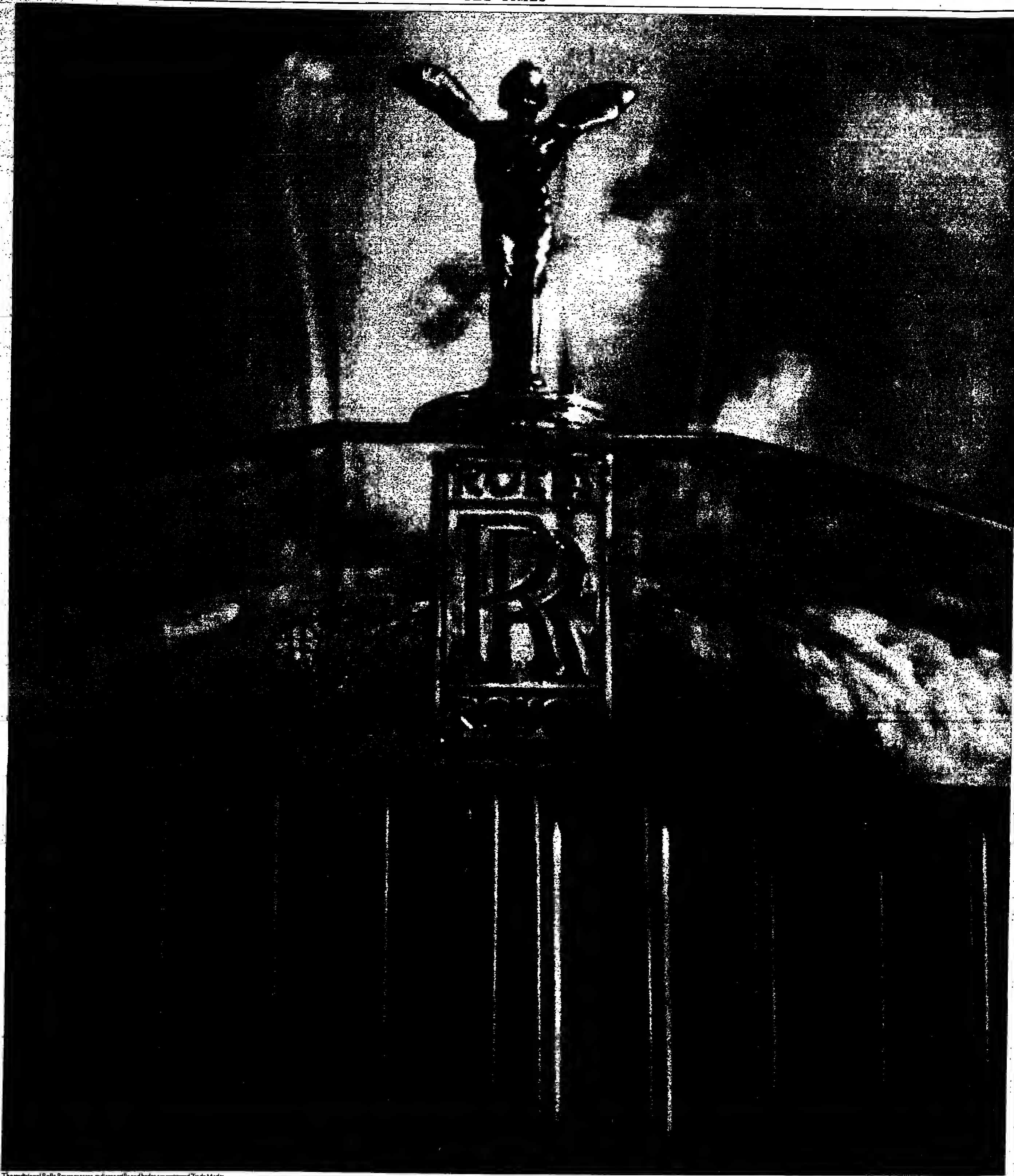
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Our Medical Correspondent assesses 30 years of the health service

Verdict on the NHS: could do better

The 30 years since the National Health Service came into operation on July 5 1948 have seen enormous changes in Britain's health; but the question that should be asked on this anniversary is how well our medical care compares with that in other countries with different systems. Is the NHS still the envy of the world, as politicians continue to claim?

Some of the medical achievements of the past 30 years have been dramatic. Infectious diseases such as tuberculosis

and poliomyelitis, which between them accounted for 23,000 deaths in 1948, are close to becoming extinct; rickets and other nutritional deficiencies are now rarities; and the numbers of deaths among young women from complications of childbirth, pregnancy (and illegal abortion) have dropped from 1,000 a year to fewer than 100. Yet all the changes have not been for the better. Deaths from traffic accidents have risen from 4,000 to 6,000 a year, and lung cancer, which killed 10,000 people in 1948,

now accounts for 30,000 deaths each year. Even so, the NHS has helped to eliminate most of the major infectious and to relieve many of the chronic illnesses that used to cause invalidism in youth and early adult life.

One of the best indicators of a nation's health is the infant mortality rate—the numbers of babies out of each 1,000 born alive who die in the first year of life. In 1948 Sweden had the best record in the world with a rate of 23. The war-torn Netherlands came close to that tar-

get with 29, and the rate in England was 34 and in Scotland 45. France (51) and Italy (70) lagged well behind.

Since then improvements in general health and to maternity and paediatric services have cut the rate in Sweden to 8.1/1,000 (1975 figures), the latest available for all European countries). The NHS can claim the credit for cutting the rate in England and Wales to 16—but the French (14), the Dutch (11), the Swiss (11), Norway (10) and Finland (10) have done better.

Medical services are not the only influence on infant mortality, however: housing, nutrition, and other social factors are equally important. A more specific measure of medical care is given by the treatment of people whose kidneys are destroyed by disease. Here in Britain about 60 patients per million population are being treated either by dialysis or by transplant surgery: this has to be compared with 90 in The Netherlands, 100 in France, and 130 in Denmark and Sweden. Once again Britain occupies a mid-point in the European league table, ahead of Greece, Yugoslavia, and Spain but behind our partners in the EEC and Scandinavia.

Furthermore national statistics conceal the large variations that still exist within the United Kingdom—despite the intention of the founders of the NHS that it should provide a uniform standard of medical care for the whole population. Mortality rates are one third higher in Wales than in East Anglia, and the differences between the social classes have widened rather than narrowed in the 30 years of the NHS. Anyone fortunate enough to live within the shadow of a great teaching hospital such as St Thomas's in London has the benefit of medical and surgical skills as good as anywhere in the world: it is a different story in the industrial wastelands of the north west of England, where waiting lists are long and many of the hospitals are worn out Victorian buildings, ill-equipped and understaffed.

Yet in terms of value-for-money the NHS is successful. British doctors are notoriously lowpaid in comparison with their European colleagues, and the cost of drugs is also far lower here than in most of Europe. Britain spends only 5.5 per cent of her gross national product on health; countries such as Germany, France, and Sweden (with far larger GNP's) spend 7 per cent or more.

This difference can be partly explained by the various sys-

tems of financing medical care: the NHS is financed from direct taxation, whereas most other Western countries have some form of health insurance scheme in which the patient pays medical bills and is reimbursed by the state or a private company. Though the administrative costs of health insurance schemes are high, they do seem to generate more income for medical services.

The disparities between the NHS and the health services in the rest of Europe north of the Alps are now so obvious, however, that they are causing growing discontent among medical staff and other health professionals. It is deeply frustrating for doctors and nurses to see patients dying for lack of facilities such as intensive care units for the newborn (given a high priority in the United States campaign to reduce child handicap). Effective treatment for conditions as diverse as haemophilia, arthritis, and heart disease has to be rationed, and the long waiting lists for many routine operations are clear evidence of the failure of the existing services to meet demand.

Britain cannot excuse its poor health performance simply on the grounds of the stagnant economy. Many of the contrasts with the Scandinavian countries are due to our failure to adopt proved, effective means of preventing disease, injury and handicap. Britain is now almost alone in Western Europe in not making the use of seat belts compulsory: our drink-and-driving laws are ill-enforced; our consumption of alcohol is rising steadily as its relative price falls. All these failures may be traced to the blind refusal of our legislators to accept scientific evidence of the results of preventive medicine abroad.

The same indifference to achievements by our European neighbours is shown in the vital area of the care of pregnant women and newborn children: financial incentives are known to be effective in persuading families to attend for regular medical assessment and so to reduce the hazards of birth and infancy, yet here such schemes are said to be "politically unacceptable".

Anniversaries are occasions for celebration, but they should also be used to reassess performance, and the verdict must be that the NHS has failed to keep up with the best of its competitors.

Dr Tony Smith



Dr Owen: time is running out.

Diplomacy begins at home

He is too young. He is too good-looking. He is too glib. He is, as the cinema adverts used to say, "the man you love to hate". If sheer youth and variety of abuse are any test of a politician's impact, Dr David Owen should be flattered.

To take just one example, the Daily Express last week had a double-barrelled attack, criticising him on page 10 for dismissing "the sensible, in-depth obvious policy" on Rhodesia, and damning him on page seven for believing "his own carefully made image". He is in love with his own image, you say? He should be torn up quickly and thrown away.

It was only a few months ago that he was being described as the wonder boy of British politics, the youngest Foreign Secretary since Anthony Eden. How could all the high hopes have been turned to ashes so quickly?

There is little doubt that the present dislike and suspicion of Dr Owen is not confined to the pro-Rhodesia lobby. The anti-fan club seems to number all kinds of people, including many who do not bother themselves with politics at all, beyond the brief impressions of the man they pick up from television.

What is more his time is running out. Assuming there is a general election in the autumn, he has not many days left to make his mark on his term as Foreign Secretary.

What, after all, will Dr Owen's time be remembered for if not Rhodesia? It was obvious when he was appointed that this would be the dominant issue. For although from one point of view, so settled in Rhodesia is of marginal importance to British interests, emotionally it is very highly charged.

The opportunity when he took over the job to get cracking and achieve something constructive on Rhodesia in the

same way that Mr Heath attacked resale price maintenance when he was briefly at the Board of Trade) must have been welcome. The trouble is that Rhodesia does not offer any simple "answer". The public persist in thinking it does.

If Dr Owen's policy on Rhodesia is not understood in the country at large, it implies a failure to put it over properly. As a nation without power, Britain can only seek to persuade through a mixture of keeping the parties moving, talks about talks, diplomatic bluff. At least thanks to bringing in the Americans to reinforce, and to some extent take over, British diplomacy, Dr Owen has kept the road open to a settlement.

The effect of so much criticism on Dr Owen has not been negligible. For one thing, as a foreign secretary, these days he needs to carry the public with him. It was certainly in his mind, following Mr Callaghan's own example at the Foreign Office, to try to bring the issues of foreign affairs into the market place for wider discussion.

For another thing, as a politician who wants to make a mark and who has been trying to build up some kind of support in the Labour Party, his unpopularity must be a cause of some concern.

His reaction to press criticism has been, in the ugly but expressive American phrase, to tough it out. Answering journalists he has occasionally seemed to be sharp and combative, defending himself and his policies and deriding the (let us admit) fickleness of much newspaper comment, which so often veers with the prevailing wind of the day's news. He has seemed over keen on justifying his own position, inviting the charge of being too touchy.

The strain of the job is of course enormous. The endless papers, the incessant meetings,

the continual travel. This is where his age, not to speak of his medical experience, should be an advantage. Yet in the office, his reputation is for being curt and demanding, not necessarily a bad thing if a man who wants to get things done.

He can be extremely ill-tempered with officials, who can not answer back. However, the policy brief which he may dismiss with a short one day, may well turn up in his own argument the day after, which shows that he does listen to what is said. Much in his favour is the fact that he is prepared to take decisions.

His trouble is not so much in Rhodesia—which every one knows is an insoluble, or any way immense, problem—as at home. The Tory Party argue that he should have given the internal agreement in Rhodesia more encouragement. Maybe so. But what has upset the Tory rank and file so much is Dr Owen's style. They feel he has a somewhat lecturing, not to say morally superior, manner in the Commons, which lately anyway, has set their teeth on edge. One way or another, the bi-partisan approach on Rhodesia has gone up in smoke.

Dr Owen's chances of Mr Smith and Co being persuaded to accept roundtable talks now they think they can hang on for a Tory government which would be more sympathetic, seems remote. For Dr Owen to get anywhere on Rhodesia in the next three months, he is going to have to move fast.

He has worked enormously hard to get things moving. But political pressures in this country are proving just a hard to reconcile as the war ring parties in Africa. If his policies are not coming over Dr Owen may have to accept that diplomacy begins at home.

David Spanier

Diplomatic Correspondent

Bernard Levin

All he asked for was a bite to eat...

A defendant at the Old Bailey was fined £50, and given a suspended sentence of 18 months' imprisonment, for biting off the ear of a friend. I can start, therefore, by saying that I would not at all care to be that defendant's enemy. But in the circumstances, I am particularly interested in the remarks of the judge, who heard the case and imposed the sentence. "In this country," he said, "you can't go around biting off bits of people's ears and noses."

No, indeed; and similar concurrence will be widely given to another of the judge's obiter dicta, this one concerning not so much the state of English law as the inscrutable workings of evolution. "Teeth," he said, "are for eating meals, not for eating human beings." Strictly speaking, of course, that latter remark was outside the judge's jurisdiction, but I doubt if a successful appeal could be grounded on the strength of an argument that His Honour had thereby been guilty of misdirection, and even

if the attempt were to be made, the Court of Appeal would probably reject it in view of the fact that the defendant (the point was made in the course of the evidence) was a chef by trade, so that putting him in mind of a fact so closely related to his calling could hardly be thought irrelevant.

The point, of course, is that the ear-eater was a foreigner, to be precise a Moroccan. That, as Lady Bracknell would have said, is no excuse. All the same, the judge clearly thought it was a mitigating circumstance, or why should he have been so careful to say that in this country the biting off of people's ears was not widely practised and should not be encouraged? I do not myself know of any country in which the practice which led to the proceedings clearly thought it was a mitigating circumstance, or why should he have been so careful to say that in this country the biting off of people's ears was not widely practised and should not be encouraged? I do not myself know of any country in which the practice which led to the proceedings

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Congratulations to Sir Hugh Casson on the 20th Summer Exhibition at the Royal Academy



Gastro-lore for foreigners in Moscow

Living as a foreigner in Moscow is rather like living in a small village. People are always bumping into each other—in the bank, at the petrol station, at the grocer's. The reason for this cosy state of affairs is straightforward—there is only one of each of these institutions.

Of course, in a city of eight million people there are thousands of shops and several petrol stations, but as in everything, special facilities are set aside for foreigners. There is one bank that handles foreign currency, one petrol station in the centre that sells high octane petrol, and one shop where you can get meat, instant coffee, whisky, gin, imported cigarettes and all such essentials of diplomatic life.

Foreigners call the shop simply the gastronomie—the usual Russian word for a grocery. But it is actually a Beriozka gastronomie, literally a birch-tree grocery. Beriozka shops sell things only for hard currency and most of them are souvenir shops where you can find a fur hat that sometimes fits and wooden dolls that come to bits.

This Beriozka, however, is one that even tourists cannot penetrate. In this shop you do not pay with roubles, dollars or pounds, but in coupons. And you can get the coupons only from the one bank where resi-



Charles is in the attic looking for national treasures.

dent foreigners have their accounts.

Shopping at the gastronomie is much more fun than shopping at Sainsbury's. It is more of a challenge. At first it might seem rather similar—you get a wire trolley and bump your way round the shelves helping yourself to a luxury almost unheard of in ordinary Soviet shops, where you have to queue to find out the price of things, queue to pay and then queue with your receipt to get what you want.

But it is soon clear that this is no ordinary Sainsbury's—over in the corner is a heap of rinds of imported Greek cheese. You have to buy a lot of those straight away—several dozen if possible; they may not be in stock again for six weeks. And it is worth taking a dozen for your neighbour, as the will get you tomorrow. It is lucky enough to be in the shop on the day when they appear.

There is an interesting mixture of local produce and imported food. Simple products are Soviet—rice, eggs, sugar and potatoes. The trick is to find a bag of rice that doesn't spill its contents on the floor as you pick it up.

The delicatessen section has roasts and raws of tomato, chicken and soy sauce. Danish tinned frankfurters and Icelandic salted herring are a good buy when in stock.

The final section, selling alcohol, is the busiest. The gastronomie knows the diplomatic priorities: there may be no vegetables but there is always plenty of whisky, gin, Armenian cognac, the best brand of West European beer, imported liquor is surprisingly cheap. In spite of a recent price rise, a bottle of Scotch or gin is still only £2.50.

The most important section is the vodka shelf. No one buys single bottles—it is best to take at least six at a time. Vodka plays a special role in Soviet society in inducing out difficulties and disagreements. It is undoubtedly a foreigner's most useful liquid asset.

ant to produce a bag of cherries from the storeroom at the back. And it has been reported that some members of Moscow's foreign community have seen bananas for sale.

Liquid asset

Such reports immediately buzz round the foreigners' blocks and without further ado wires hasten to the gastronomie to try their luck. Usually it ends in disappointment—they have all gone—but there may be the consolation of a consignment of tomatoes instead.

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Some things can only be had for vodka—getting a car washed, furniture moved, fuses mended and so on. I must have bought 100 bottles in six months. I have drunk about three. Even non-drinkers stock up. In the campaign against drunkenness the Soviet Government is making it increasingly difficult for Russians to get hold of vodka, and the price in roubles is high.

At the check-out counter you load your purchases into boxes and produce little books of coupons. The bill is stuffed with bits of paper of different nominal values; it is hard to think of it as real money.

There is a separate counter for the real luxuries of life—caviar and imported caviar. The latter, like vodka, seems to be an essential lubricant to everyday life, and Russians invariably expect your pocket to be lined with Wrinkles' of malvolous stopped while driving in one of Moscow's busiest streets by a friendly policeman on some unintelligible pretext, and turned out that he only wanted caviar.

Saturday is a bad time to go shopping as diplomats from Third-World countries, who seem to have fewer qualms about allowing whisky and caviar to find their way on to the Soviet market, load up their trolleys with Scotch by the trolley and cigarettes by

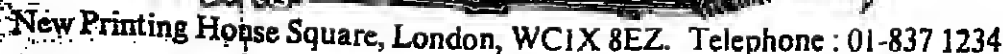
the cubic foot. The end of the month is also a bad time as the gastronomie is closed for "cleaning day". Meat generally comes in after 2 pm; queues are shortest just before closing time at 7 pm, probably because supplies are also.

The gastronomie is a friendly, classless place: ministers' wives mix with junior commercial attaches, journalists hang round with some of their best sources. I have seen the British Ambassador's official Rolls outside the shop. (You can always tell at a glance who is there as all foreign cars have diplomatic plates numbered according to country: 01 is Britain, 02 West Germany, 03 Canada, 04 United States, 05 Japan, and so on up to 99.)

However, the windows of the gastronomie are blanked out to stop Russians seeing inside. Any curious Russian who tries to wander in is given short shrift by a rather surly doorman.

If what you are looking for is not at the gastronomie, it probably is somewhere else in Moscow. You can try the private market, either have to go to Finland or send an SOS to a rich friend or relative.

Michael Binyon



THE ITALIAN PRESIDENCY

BUT THEY WILL STILL BE OVERTAXED

In fact any of these three would make a perfectly respectable President, but the longer the process takes the less respectable the system as a whole is made to look—and the danger is that in the end an unsuitable candidate will be elected out of exhaustion, or with a narrow and dubious majority, as happened in 1971. It is sad that all the shocks of the past few months have not persuaded Italian politicians to revise their priorities.

Election of assemblies

Mr Crossland and EEC

for it to end. Meanwhile, character-

Policy on Rhodesia

From the Director of Nacro
Sir, The gap between informed

From Mrs M. T. Myerscough

is ill-advised; and that some consideration in formulating penal

Lewes by-pass

line 50.

**THE NATIONAL ASSOCIATION FOR THE CARE
OF CRIMINALS AND DELINQUENT OFFENDERS**
425 Kemlington Park Road, SE11.

The best engineers
From Miss Barbara Cohen

...the full-page spread by Rolls-Royce in *The Times* (June 28) with 150 photos labelled "The best engineers in the world?" is most interesting. There are no women. There are no blacks.

Why? Probably because there are very few black engineers or women engineers in this country. This group of photos puts the argument better than I have ever seen it in a "positive discrimination" in certain fields.

Yours sincerely,
BARBARA COHEN,
18 Torriano Avenue, NWS.

THE TIMES

BUSINESS NEWS

CEGB thinks small on new power stations, page 20

The brutal truths at British Steel, page 21

Franco-German plans for monetary cooperation aimed at avoiding UK veto

From Peter Norman

Brussels, July 4. Franco-German proposals for greater monetary cooperation in Europe will be presented in an informal manner at the summit conference of EEC leaders in Bonn tomorrow and Friday. The aim is to eliminate the risk of any member state—and in particular Britain—vetoing the scheme. Helmut Schmidt, the West German Chancellor, and M Valéry Giscard d'Estaing, the French President, are almost certain to outline their ideas over the dinner table in much the same way as the EEC leaders first tackled the question of monetary cooperation at their Copenhagen meeting in April.

In this way Germany and France hope to achieve solid progress on monetary cooperation, even though no formal decisions can be expected from the Bremen conference.

The approach is being adopted to take account of known British reservations about embarking on the path towards European monetary union. Neither Germany nor France wants to put Mr Callaghan in a position where he must decide either for or against greater monetary cooperation this week.

On the other hand Bonn and Paris are anxious to achieve progress so that their scheme can be fully explained to President Carter's head of the Western Economic Summit in Bonn on July 16-17.

If President Carter can be

convinced that the scheme is not directed against the dollar and can be induced to approve of the Franco-German efforts when in Bonn, it is felt that Mr Callaghan will have less cause to disapprove of the Giscard-Schmidt initiatives in the monetary sector.

Chancellor Schmidt and President Giscard d'Estaing reached broad agreement on their ideas for greater monetary cooperation at a meeting in Hamburg on June 23.

Although last Friday, M Giscard denied that France would be joining the existing European joint float or currency "snake", the planned new monetary grouping would be built on this structure.

It is envisaged that the "hard" European currencies would be linked to each other in a joint float, perhaps fluctuating in a narrower band of 1 per cent either side of central rates compared with 2.25 per cent at present.

The weaker European currencies—the Italian lira and sterling—would be linked more loosely to this construction, possibly by being allowed to float in broader margins of fluctuation than the present 2.25 per cent.

France would join the hard currency block, where its central bank—like the central banks of Germany, the Benelux countries, Denmark and Norway—would be obliged to prevent the national currency from bursting out of the agreed mar-

gins of fluctuation through foreign exchange market intervention.

But the facilities for intervention would be augmented substantially by a new European monetary cooperation fund into which a certain percentage of the member state's currency reserves would be placed in a pool.

This fund would constitute a mini European IMF on which member states would have drawing rights and which would presumably be able to exert discipline on national economic policies.

Because of French sensitivities, the new structure would probably be known as the European Monetary Association or European Monetary System.

The French objection to terms like the "snake" or the "boa"—the expression adopted for an expanded joint float—is a matter of semantics and national pride.

France has been obliged to leave the "snake" twice since the system was first established and does not wish to be seen to be joining for a third time.

The timetable for further developments towards European monetary union will obviously depend on the outcome of the EEC leaders' meeting in Bremen tomorrow and Friday.

But if progress is achieved, a formal proposal on greater monetary cooperation could be tabled for agreement at an EEC summit towards the end of this year.

State shipyards face new £45m loss

By Peter Hill

Industrial Correspondent

British Shipbuilders, the state-owned shipbuilding organisation established a year ago, is expected to lose £45m in the present financial year which ends next March. This was revealed yesterday by Mr Eric Varley, the Secretary for Industry, when he announced the financial targets for BS.

The group has already stated that substantial losses have been sustained in the first nine months of the group's life, but has refused to confirm a loss for the period of between £50m-£60m. The losses are set against the backdrop of the severe crisis in the world's shipbuilding industry, and efforts by the European Commission to reduce the Community shipbuilding capacity to a level more in line with the expected demand over the next five to 10 years.

Mr Varley, in a Commons written reply yesterday, said he had notified BS that in the year to March, 1979, the organisation should seek to limit its loss before interest and after receipts of intervention

fund assistance to £45m, and to conduct its affairs to make progress towards providing an adequate return on capital employed.

"The short-term target represents the latest forecast of loss given to me by British Shipbuilders," Mr Varley said. He explained that the accounts for the financial year 1977-78 had not been settled because talks were continuing with auditors and its subsidiaries to ensure a more rigorous approach to provision for losses. The loss forecast, he said, was tentative, "but represents the best judgment of the corporation at this stage."

The Intervention Fund (which represents a call on the taxpayer) was introduced last February to provide a subsidy designed to narrow the gap between United Kingdom prices and those of foreign yards competing for the much reduced volume of merchant ship orders.

The fund was originally set at £65m. All but £8m of that sum has now been paid over to BS or offered to the corpora-

tion. The fund played a major role in securing the multi-ship order from Poland, where nearly £30m was injected to secure the order.

With the first fund almost exhausted, the Government supported by BS has been in almost constant negotiation with the Commission in Brussels to secure approval for a further fund, which will amount to £80m.

But the Commission has insisted that the new fund must comply with the terms of the Community's proposals for slimming down the size of the industry, and so far approval to the second tranche has been withheld. The loss forecast for this year, Mr Varley explained, assumed that the subsidies would be available.

Factors affecting the forecast loss include the effect of inflation on contracts taken before nationalisation, the impact of pay awards to large groups of shipbuilding workers under fair wage rulings, and the slump in worldwide orders with yards having few orders but continued overheads.

More BSC cuts likely as steel slump goes on

Continued from page 1

But he admitted that in the few weeks that had elapsed since BSC outlined its plan to break-even by 1980, there had been a further deterioration in the prospective market for most steel products. "There is concern about general economic prospects for 1979," he added.

British Steel's financial position has been a major headache for the Government. Parliament is expected to approve soon an increase in the corporation's borrowing powers, lifting the limit from £4,000m to £4.75m, and with a provision for it to be increased still further to £5,500m.

A financial reconstruction is promised within the next two years, and preliminary discussions are already under way. But the corporation is faced with surplus capacity, and with new steelmaking plant due to be commissioned in the next two to three years, the elimination of high-cost production plants will be inevitable. A cut-back of some five million tonnes of existing steelmaking capacity is likely.

Imports of steel from low-cost producers and those sell-

ing at below cost pose a further threat to BSC. The corporation is attempting to observe the measures introduced by the European Commission designed to restore order to the European steel market. But, along with other European producers, the BSC turned out more steel in the first three months of this year than the Commission had indicated was desirable.

Sir Charles said: "Unless we can produce steel at prices and quantities which are competitive with our European competitors and those in the Third World, there will be great difficulty in finding sufficient work for our big plants. They have to be internationally competitive."

Speaking at a press conference in London, he rejected reports that British Steel was about to sell its profitable plants to overseas buyers.

On the proposed closure of the Bilston works, in Staffordshire, which nearly precipitated a national steel strike, he said there had been full consultation with the workforce since November last year. A letter sent by the plant's local management to the workforce



Sir Charles Villiers, right, BSC's chairman, with Mr R. Scholey, the corporation's chief executive at yesterday's press conference.

last week had been misinterpreted, he said.

It had been withdrawn so that talks could go ahead "in a proper atmosphere". The Bilston works, he noted, had lost £1.3m in the first two months of the current financial year.

Yesterday the corporation secured union agreement for the closure of a fabricating plant at Treorchy, in Wales, with the loss of 300 jobs. The corporation's labour force has already been reduced from over 200,000 to about 190,000 and further closures are inevitable.

Referring to the Government's White Paper on the future of the BSC, Mr Varley said: "The road is hard but

management and workforce are now coming to realise that we have no option but to press on together down this road. The board has set the financial objective of operating at a rate of 'break-even' by March, 1980.

Although some of the economic assumptions underlying this objective look less certain, the board sees no reason at this moment to change the objective."

Mr Norman Lamont, an Opposition spokesman on industry, last night observed that on the scale of last year's losses, the corporation was losing more money each hour than the British policeman earned in a year.

Brutal truths, page 21

Callaghan hope for Bremen boost

By David Spanier

Diplomatic Correspondent

Mr James Callaghan, the Prime Minister, is still hoping for a combined international effort to see the world economy moving, at the EEC summit in Bremen this week, and the Western economic summit in Bonn in mid-July.

The Prime Minister believes that each of the major industrial countries will be able to do more individually if they can count on a collective resolve to take action.

British officials, however, are cautious of predicting precise measures, whether at Bremen or Bonn, on the economic front. The feeling in London is that each of the Community coun-

tries attending the summit is waiting to hear what the others have to say, before committing itself.

Moreover, Herr Helmut Schmidt, as host and head of Government of the most important participant, may prefer to hold his fire at Bremen, and wait until President Carter arrives at the Bonn meeting.

The first priority in British eyes has always been to work out a series of measures to achieve faster growth in the Western economies. Everyone accepts, however, that in co-operation with the German spokesman last year, there will be no talk of target figures for growth this time.

Japanese measures Mr Toshio Komoto, the Japanese Minister

for International Trade and Industry, said yesterday in Tokyo that his Government may decide on supplementary measures to ensure 7 per cent growth in fiscal 1978 which ends next March.

The decision will be made in September, when the second quarter Gross National Product figures are available.

Mr Takeo Fukuda, the Japanese Prime Minister, should take bold measures to reduce Japan's current account surplus now the United States dollar has fallen close to a politically sensitive level of 200 yen, Mr Yashuburo Nakasone, the ruling Liberal Democratic Party executive council chairman, said yesterday.

Gatt talks crucial to future of free trade West German Foreign Minister says

Luxembourg, July 4.—Herr Hans-Dietrich Genscher, the West German Foreign Minister, said that "nothing less than the future of free world trade" was at stake in the world trade and tariff (Gatt) talks in Geneva.

He called for a strong stand in the talks against economic protectionism.

Herr Genscher's comments, at a news conference during a meeting of the European Parliament, came two days before the Bremen economic summit which also is expected to come out strongly against protectionist policies.

"The task before us at the (Geneva) Gatt negotiations is to stem and to reverse the tide of protectionism," Herr Genscher said.

"Trade restrictions merely shift unemployment tempora-

ly from uncompetitive industries to the highly productive export industries and, in the long term, trading partners all around destroy more jobs than they save."

Alan McGregor writes from Geneva: Dr Peter Tomic, the development country spokesman in the Tokyo Round negotiations, said today that in their eyes the July 15 deadline established by the United States was no more than "a device for speeding things."

He said the date had been set for Western political reasons, namely the need to have an assessment of the state of the Tokyo Round accorded appropriate scrutiny at the Rome summit.

"We do not accept any July 15 date. Negotiations will continue at least until December,"

he said.

He repudiated criticism from the Americans and the European Community to the effect that developing countries were not participating actively enough in the negotiations. On the contrary, he said, more than 100 documents, including draft provisions, now circulating in the negotiations had emanated from Third World delegations.

Dr Tomic said the developing countries objected in particular to the selective safeguard concept whereby any country could allege market damage by imports from another and take counter-measures.

"In such instances, we want action through Gatt, not by one or two countries on a selective basis," he said.

CBI calls for two-stage pay deal

By Patricia Tisdall

Management Correspondent

With just over three weeks to go before the end of the present phase of pay policy, employer representatives last night urged Mr Denis Healey, the Chancellor, to provide for longer-term strategic planning in the next round of wage restraint measures.

A delegation from the Confederation of British Industry, headed by Mr John Greenborough, the president, put the case for making a two-stage approach to incomes policy, of which only the first would happen automatically each year.

Meanwhile, short term, the industrialists want greater freedom to use wages as an incentive for higher productivity.

They also affirm the need for a further year of pay restraint aimed at taking average settlements below inflation rates. But they want any new policy to pay to the way towards a "radically different system of pay determination."

The CBI's view, which will be examined further in the light of the Chancellor's comments at a meeting of the influential Employment Policy Committee today, is that relative rates of pay between different grades of employee are still seriously distorted as a result of the first two phases of wage controls.

Pay pressures created during phases one and two by anomalies, compressed differentials and unconsolidated earnings supplements have been eased slightly in some companies during the past 12 months. But in others, pay relativities have been further distorted both by forward commitments and by the impact of productivity payments.

Employers say they consider it to be an "overriding need" for any incomes policy which replaces phase three at the end of July to give greater flexibility to solve existing pay problems and to prevent new ones being created.

Industry spokesmen acknowledge the possibility of price and dividend controls being continued as a political quid pro quo for pay restraint. But they are openly antagonistic to the use of sanctions through public sector contracts as a method of enforcing a new restraint.

Extensive discussions have already taken place between CBI representatives and senior civil servants over the existing use of sanctions.

Employers expect to have at least one more meeting with Mr Healey during the next three weeks before final details of the new pay strategy

Reckitt HQ may move abroad to cut tax burdens

Mr James Cleminson, Reckitt & Coleman's chairman, yesterday confirmed that the company was considering whether to move its headquarters out of Britain to reduce the tax burden on senior managers.

He said: "We are looking for locations abroad where we could set up our headquarters if taxes are not lowered. I see such a move as being as inevitable as moving our headquarters from Hull to London a few years ago."

"It may take a number of years to complete, but when our managers are paying the highest taxes in Europe then it seems logical to move to a country where they are better off."

Price removal on individual items which makers commonly place codes on goods during manufacture—this development is expected within two years; despite equipment teething troubles—is expected to be the most sensitive issue with customers.

Mr Harris said: "There will be shelf-level price tickets, but the essential problem is the customer confidence level. Will they feel that in some undervalued way they are being ripped off if there is no individual price tag? We particularly want people to be price aware—but labelling every item when there is bar coding and scanning would be additional cost."

There are policy choices in what to do with efficiency gains. The United States experience, where labour costs are proportionately higher, has been that staff savings have been substantial.

Derek Harris

DoI aids use of microprocessors

By Kenneth Owen

Technology Correspondent

A support scheme has been launched by the Department of Industry—initially costing £15m expected to amount to substantially more over the next few years—to encourage British industry to adopt microprocessor technology across a wide range of products and production processes.

Foreshadowed in a statement from the Prime Minister's Office last month, the scheme embraces three types of assistance. First, in starting industry to the potential of microprocessors, the DoI will "expand and underwrite appropriate training courses" to improve the level of awareness of both senior management and design engineers.

Secondly, the department will refund up to £2,000 of the

cost of consultancy work to companies seeking professional advice on the potential for using microprocessors in both their manufacturing processes and their end-products.

Thirdly, financial support will be provided for actual projects involving the application of microprocessors, again covering both manufacturing processes and end-products. This could be either in the form of a 25 per cent grant, or a 50/50 sharing of risk capital with recovery of the DoI money through a levy.

The £15m earmarked for the scheme, which is known as the Microprocessor Application Project, is essentially an interim figure to cover development work between now and the autumn, when a working party report on microprocessor applications from the Advisory

Council for Applied Research and Development is expected to be published.

Announcing the scheme in a written parliamentary reply yesterday, Mr Eric Varley, Secretary of State for Industry, said: "The terms of support under the scheme will take account of weaknesses in United Kingdom industry which are clearly emerging from discussions on the Government's industrial strategy."

Of the initial £15m, it is envisaged that about £2m will go on training; £3m on consultancy; and £10m on actual projects.

The Department of Industry hopes to announce a further microelectronics-related support scheme—covering more assistance for the microelectronics industry itself—towards the end of this month.

GENERAL BUILDING AND PUBLIC WORKS CONTRACTORS—ELLSMERE PORT SOUTH WIRRAL

Thomas Warrington & sons Ltd

Mr. Brian Warrington's Statement

Thomas Warrington & sons Ltd

The Annual General Meeting of the company was held on 4 July at Chester. The following points are from the statement by Mr Brian Warrington, Chairman and Joint Managing Director, included in the Annual Report and Accounts circulated to shareholders:—

The profit for the year ended 31 December 1977, before tax, was £176,333 (£131,861). The Directors recommend a final dividend of 1.9675p per share which, together with the interim and associated tax credits, is equivalent to 4.7442p per share.

I am pleased to report that there was an improvement in the profits for the year, despite the fact that we again had to absorb further increased running costs within the company, together with a considerable sum in respect of redundancy payments and compensation to operatives and staff members, which was brought about by the reduction in the workload.

Competition in general contracting remained very keen and profit margins were narrow. We did, however, procure a fair proportion of the number of contracts for which we tendered, on the most satisfactory terms possible.

In the private housing sector, it was only during the latter part of the year under review that we were able to obtain more realistic selling prices, but this was too late in the year to have any beneficial effect on the profits. I am, however, pleased to report that house sales have shown a marked improvement and the indications are that profits from this sector will improve during 1978.

Newman Industries Limited

	1977	1976
Group turnover	£45,130	£28,708
Pretax profit	4,012	1,649
Profit available to		
Ord shareholders	2,795	997
Earnings per share	27.2p	12.7p

Pretax profit for 1977 includes a contribution of £400,000 which has arisen from the successful offer for the balance of the equity in the Dover Engineering Group.

Despite considerable expansion in activity, we have been able to reduce our indebtedness to our bankers and strengthen our working capital. This trend was maintained in early 1978 by the sale of two subsidiaries reducing bank overdrafts by a further £2m. 1978 represents the beginning of a new growth cycle. Our order position is good and should remain so during this year.

The investment in Avdel International N.V. with the option to acquire the remaining equity demonstrates the groups continued internationalization, and represents the potential integration of an experienced and highly competent management team which can undoubtedly exploit the considerable potential of Avdel, to enhance the growth prospects of our group in that the present management will be able to absorb new opportunities this year without affecting in any way the achievement of our objectives. The prospects are therefore exciting and augur well.

The only limiting factor affecting our future is the ability of those who determine the economic future of this country to respond to the professional competence inherent in British industry.

Alan Bartlett
Chairman

Profit-sharing schemes made more attractive

By Bryan Appleyard

Employee profit-sharing schemes are to be made significantly more attractive as a result of changes in the Finance Bill brought about by Liberal pressure on the Government.

The Budget included tax concessions for share incentive schemes on the basis of a Liberal-inspired proposal put forward in a consultative document by the Inland Revenue.

This involved a company setting aside money annually to buy shares for its workers. The shares go into a trust and cannot, under normal circumstances, be sold for five years. If sold between five and seven years, then half their original value, or sale proceeds if less, would be liable to income tax.

Between seven and 10 years the proportion fell to 40 per cent, between 10 and 12 years the proportion was 25 per cent, from 12 to 15 years 15 per cent, and thereafter nil.

It is understood the Government has now given assurances that changes will be introduced which will reduce the "release date" from income tax from 15 years to 10 years. The new rates will be 50 per cent between five and seven years, and 25 per cent between seven and 10 years.

Roughly the same amendment was defeated at committee stage in spite of support from both Liberals and Tories; but it appears the Government has now accepted the amendments partly because the administration of the tax on the longer period with tapering rates could well cost more than the amount raised.

How the markets moved

Rises			Falls		
Adwest Group	5p to 250p	Highland & Low	15p to 135p	Bank	
Churchbury Est	10p to 235p	Klorox	12p to 374p	buys	
Downing GB	5p to 220p	Kloof	12p to 526p	sells	
Edvco	10p to 175p	Peko Wallend	5p to 520p	Australia \$	1.68
E Rand Prop	7p to 277p	Wigfall H	15p to 227p	Austria Sch	29.25
Guthrie Corp	11p to 325p	W Rand Cons	5p to 114p	Belgium Fr	63.75
				Canada \$	2.14
				Denmark Kr	10.90
				Finland Mk	8.15
				France Fm	8.66
				Germany Dm	4.02
				Greece Dr	70.25
				Hong Kong \$	8.95
				Italy L	1620.00
				Japan Yen	400.00
				Netherlands Gld	4.33
				Norway Kr	10.41
				Portugal Esc	86.00
				S Africa Rd	2.07
				Spain Pes	150.25
				Sweden Kr	8.83
				Switzerland Fr	3.38
				US \$	1.92
				Yugoslavia Dn	35.75

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Tough curbs expected on Greek textile shipments

By Peter Hill
Industrial Correspondent

Tough new curbs on imports of specified Greek textiles are expected to be announced by the EEC Commission in a few days after talks with the Greek Government and representatives of the industry over the level of shipments.

There were to have been limited as part of the Community's negotiations under the terms of the GSP Multi-Fibre Arrangement (MFA).

In fact, Greece and other low-cost supplying countries have considerably exceeded the levels which were agreed for shipments to the Community. Earlier this week the Knitting Industries Federation, which has been monitoring the flow of knitted imports into the United Kingdom, expressed grave concern at the flow of goods from Greece and other Mediterranean associate countries of the EEC and from low-cost producing countries in the Far East. The organization has written to Mr. Eric Varley, Secretary of State for Industry, calling for more effective monitoring under the MFA procedures.

Mr. Edmund Dell, Secretary of State for Trade, underlined Britain's worries at last week's meeting of the Council of Ministers. Last night Whitehall sources suggested that the level of imports from other low-cost supplying countries included quantities which had been shipped before the end of last year and which had not shown up in the import figures until January of this year. It was also noted that some textiles were landed bare for re-export.

CEGB considering building small power stations on existing city sites

By Nicholas Hirst

A switch to policy which would involve the building of much smaller power stations than have been constructed in recent years is being considered by the Central Electricity Generating Board (CEGB).

Instead of selling off in-city sites with outdated power stations, the CEGB may decide to replace obsolete plant with modern equipment in the 250 megawatt range. In recent years, the CEGB has ordered much larger stations, with units of 500 megawatts or above, on greenfield sites. Such stations would continue to be ordered but the building of modern, smaller stations on existing sites with outdated plant would help increase the CEGB's coal burn-

ing capacity, reduce the need for imported fuels, and would fit in with any plans to link power generating with district heating schemes.

Mr. Glyn England, the CEGB chairman, in a speech to staff at the oil-fired power station at Fawley, said that the possibility of building smaller stations on existing sites was being considered.

But, though the CEGB was looking at the idea, there might not be enough coal available at the end of the century to allow greater dependence on it, Mr. England added.

The advantages of the inner-city sites, however, is that in hot spots close to the consumer they are easily linked to the kind of district heating which may well be recommended by

the Combined Heat and Power Group which is preparing a detailed report for the Department of Energy.

Consideration is being given also to ways of producing electricity from renewable resources such as wind, tide or wave power. Wind generators could be placed in shallow water off the east coast to reduce their impact on the environment, but the most promising source of this type of energy, Mr. England thought, was wave power.

Wave power could supply the whole of Britain's current electricity consumption, but many technical problems had to be met, and fossil fuel power would need to rise before wave power became an economic alternative.

Soviet price cutting 'cost shipping lines £250m'

By Michael Baily

Cut-price Soviet competition cost British shipping lines nearly £10m in East Africa trade alone. On all liner routes, Russian activities cost Western shipping more than £250m, with United Kingdom lines among the heaviest hit, the General Council of British Shipping disclosed yesterday.

Claims by the Soviet Union that it was a letter to the Times on July 17—that her shipping expansion is merely to match her trade expansion—were highly misleading, GCSB spokesmen said in London.

The 20 per cent of world industrial output claimed by Russia in the letter was nearly all for internal consumption and therefore irrelevant to the shipping dispute. On world trade routes, Russia generated only 2 per cent of liner traffic but had built up ship capacity four times that size with further dramatic increases, including fast roll on-roll off and container ships on the way.

In direct trades to and from the Soviet Union, her shipping had taken a disproportionate share: 79 per cent in the United Kingdom trade; 75 per cent in the German; 97 per cent in the Japanese; 83 per cent in the Belgian; and 98 per cent in the United States Pacific.

In the trans-Pacific trade, the Soviet Union carried 40 times as much as that generated by her economy, the GCSB said. Soviet state lines generally tended to press for up to fifth of any conference trade they sought to enter—the total available for all cross traders under the proposed Unctad rules.

British shipping interests were disappointed by the soft line taken by the EEC Council of Ministers last month.

House prices increase slowing down

By Margaret Stone

House prices rose on average by 4 per cent in the second quarter of the year compared with a 5 per cent rise in the first three months, the Nationwide Building Society reported yesterday.

Mr. Leonard Williams, chief general manager of the Nationwide, said that the rate of increase in house prices was slowing, particularly towards the end of the second quarter. House prices were now rising at about 1 per cent a month, he said.

Mr. Williams added that the latest figures confirmed Nationwide's original assessment that there would not be another house price explosion in 1978 because the present situation was different in several important respects from that in the early 1970s.

House prices rose slightly faster than average in the London Metropolitan area, up 6 per cent in the second quarter.

The average increase over the past 12 months, 13 per cent, was higher than the estimated increase in retail prices, 8 per cent, but about the same as the estimated 14 per cent rise in average earnings.

LETTERS TO THE EDITOR

BNOC's oil field accolade

From Mr David A. Singleton

Sir, The recent accolades to the British National Oil Corporation for discovering an oil field on Block 30/17 in the North Sea are not, unfortunately, based on any knowledge of the method by which the BNOC acquired an interest in this block.

When the 5th round blocks were offered to the oil industry in late 1976, all interested oil companies made application to the Department of Energy. Individual companies or consortiums specified which blocks they wanted and submitted technical information to substantiate their reasons of choice.

At this time, Phillips Petroleum previously had relinquished over one half of Block 30/17 in 1970 when little drilling had been done in the area, but Shell and Esso recently had made a deep Jurassic discovery on the adjacent 30/16 Block. This discovery (later named the

Fulmar Field) was separate from the small Auk field and the results were kept extremely secret.

From these results and from regional technical studies, Shell and Esso were convinced that similar conditions existed on the now available part of Block 30/17 and all of this information was submitted in confidence to the Department of Energy. New government policy dictated that the BNOC would be a 51 per cent partner on all 5th round blocks awarded and therefore the BNOC had access to the Shell/Esso information.

BNOC had reviewed the block but was unaware of the oil discovery until the submission of the Shell/Esso information. The two companies subsequently were told that they would be awarded the relinquished part of the block but only if the BNOC were operator for the group.

This was one of the most

attractive 5th round blocks any junior technical person could have seen the potential after a review of the Shell/Esso information. All that was was for BNOC to contract rig and drill at a proper interval, probably already determined by the applicants.

One cannot give much credit to a person having the privilege of viewing all of the hand a poker game, then declaring himself a partner of who holds the best hand and finally settling down to play the game, telling everyone a good player he is as he is in the chips. Considering advantages and such glorifying public announcements, it is a wonder the BNOC is held in such esteem by the oil industry. Yours faithfully, DAVID A. SINGLETON, 32 Quantin Avenue, London, SW20, June 29.

'Unemployment' Act

From Mr W. E. Clayfield

Sir, I would endorse the last paragraph of Mr Anthony Frodsham's letter (on employment law) in your edition of June 30.

The Engineering Industries Association is Britain's largest engineering trade association and has a high percentage of smaller companies and sub-contractors in membership.

A survey carried out in one of its nine regions in February supported the ethics of the Act but questioned some of its effects in allowing the production to swing too far in one direction. Of 10 points put by the council of this association recently to the Secretary of State for Employment, Mr

Albert Booth, one reads as follows: "There is evidence of a distinct reluctance to employ new labour and a preference to go for overtime."

It is not without reason that the Act is referred to frequently by engineering employers as the "Unemployment Protection Act" or the "Employment Prevention Act".

Yours faithfully, W. E. CLAYFIELD, Deputy Director, Engineering Industries Association, Equitable House, 142 Edgeley Road, Harrow, Middlesex, June 30.

How the Postcode works

From Mr K. S. Noble

Sir, I feel I should reply to the letter from Cecil Roberts (June 16). First may I make clear that a Postcode is not a substitute for an address, which can be easily conveyed to machines by our machines. We still require full postal address to enable the postman to deliver the letter at the end of its journey.

The present code is most taint not to be abandoned. Postcode provides for mail sorting at all stages of a letter's journey right through the delivery postman who then only to put them in a delivery order. This is far more than the postal code in other countries can achieve. These aim only to get the letter to the distant town, not to the individual's door. Mr Croome (June 21) is in error in his statement that a postal address is merely a routing instruction, help us sort and deliver letters we cannot justify change this would delay the letter (love the Post Office in due experience under the Government Acts of 1977 we incorporated most county names in England Wales because confusion showed that our custom there largely preferred changes and it was possible to make them without affect service. In Scotland, however, pinpoints was against certain places around London affected by an earlier L Government Act did not address changes and it was possible to make them without affect service. In Scotland, however, pinpoints was against certain places around London affected by an earlier L Government Act did not address changes and it was possible to make them without affect service. Yours faithfully, K. S. NOBLE, Director, Postal Mechanisation and Buildings Department, Postal Headquarters, St Martin's le Grand, London EC4A 3HQ, June 28.

Racal-Milgo signs agreement to market American voice response data system

Racal-Milgo announced yesterday that it had signed an exclusive agreement with Wavelet Data Communications of San Diego, California, to market the American company's voice-response data systems in Europe, Africa and the Middle East.

The Wavelet systems are used to connect with remote-access computing. Data can be entered or retrieved via simple key-pads and a dial-up telephone connection to the computer; the response comes in the form of computer-controlled voice output.

Mr Phil Clarke is manager of Racal-Milgo's newly formed voice-response division. Typical applications envisaged include vehicle parts distribution, credit card verification, retail distribution order entry, and shopfloor data collection.

Merseyside talks on clerical overtime ban

Talks are to be held in Liverpool today between officials of the Association of Clerical and Technical Staffs and the management of the Mersey Docks and Harbour Company in an attempt to end an overtime ban by 600 clerical workers.

The clerical workers imposed a weekend overtime ban in support of claims in their annual

France launching £300m loan to help deficit

From Charles Hargrove

Paris, July 4

France's Government is to launch, on July 12, a loan amounting to 2,500m francs (about £300m), amortizable in 15 years, bearing an interest rate of 9.8 per cent.

The loan is designed to cover part of the deficit in the current year's budget, estimated at about 20,000m francs, and regarded as "normal" in the present economic situation. It amounts to only 1 per cent of the GNP.

This was the case with the previous loan issued on May 22 for a total of 3,000m francs, which was similarly subscribed on the same day. The interest will be tax deductible.

The Ministry of Finance

said these loans were part and parcel of the Government's policy of financing the overall requirements of the Treasury through savings.

The loan issue will contribute to the slowing-down of the increase in circulation, an important factor in the minister's view of the rising curb on inflationary pressures.

A third loan is to be launched in September. The idea of issuing loans in several small packets is not to queer the pitch of other issuers.

At the same time the ceiling for savings bank deposits, now fixed at 38,000 francs will be raised in order to mop up excess purchasing power, and redirect it into productive investment.

Rise of 9 pc is expected in UK invisibles

By Our Financial Staff

Earnings of the service industries on invisible account are expected to rise by 9 per cent in the year to end March next.

In this annual report, Sir Francis Sandilands, the chairman of the Committee on Invisible Exports, states that "while some of the predicted rise is due to a combination of the effect of domestic inflation on the prices of exports, changes in dealing margins and the effect of exchange rates on the sterling value of earnings in overseas currencies, well over half of the increase in earnings is due to an increase in the real value of business."

At the start of 1977, the net monthly invisible surplus was running at £220m, but this reduced as the year progressed. Early this year it had dropped to £200m though subsequently it picked up to £120m.

"The recent reduction in the net surplus," Sir Francis points out, "is partly a reflection of the rising cost of imported services but mainly the effect of North Sea oil developments on our invisible account."

"Not only has Britain had to pay for foreign services in extracting oil from these cold waters; she has also borrowed capital to do so."

"The imported services alone are estimated to be costing us £500m a year; and the earnings of foreign oil companies in the North Sea are now rising significantly."

UK RESERVES

The following are the figures for the United Kingdom's official reserves issued by the Treasury:

End of period	£m	£m	Change in month
1977			
June	11,572	8,727	+1,871
July	13,422	7,725	+1,850
Aug	14,852	8,521	+1,430
Sept	17,171	9,326	+2,319
Oct	20,211	10,987	+3,040
Nov	20,394	11,227	+193
Dec	20,557	11,715	+163
1978			
Jan	20,868	10,691	+311
Feb	20,701	10,690	+167
March	20,338	10,910	-328
April	17,038	9,207	-3,282
May	18,661	9,112	-377
June	16,542	8,891	-119

Italian inflation

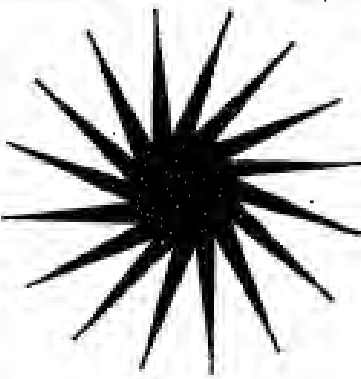
A slight rise in inflation to 13.8 per cent next year from the current annual level of about 12 per cent is predicted for Italy by ENI, the state hydrocarbons corporation, in a study on the economic outlook. The wholesale price index is expected to increase by 14.2 per cent, GNP by 2.9p and industrial production by 3.8 per cent.

China steel forecast

A pro-communist newspaper in Hong Kong, the English-language Ta Kung Pao, predicts that China's steel production this year will top 35.2 million tons. The paper points out that China's steel production in the first half of 1978 was 76 per cent higher than the period a year earlier.

German output down

German industrial production fell a provisional seasonally adjusted 1.4 per cent in May compared with April. Economics Ministry said yesterday. This follows the clear rise in April, the figures for which have been revised slightly upwards.



Rediffusion Sir John Spencer Wills reports.

The fiftieth Annual General Meeting of Rediffusion Limited will be held on 28th July at the Connaught Rooms, London.

The following are highlights from the Review by the Chairman, Sir John Spencer Wills, which has been circulated with the Report and Accounts for the year ended 31st March 1978.

Rediffusion's fiftieth year

It is disappointing that better results have not been produced to mark the fiftieth anniversary of the incorporation of the Company. The steady advance of the U.K. television rental business has been marred by setbacks at Rediffusion's Telecommunications and Systems Simulation divisions and by the continuation of heavy losses in Hong Kong.

Television business in the U.K.

We can count the year a successful one for our domestic television set business. 65% of the homes in the country now have colour television and with the approach of market saturation competition is intensifying and margins are under pressure. Nevertheless we show an increase in the profit from this, the Group's main activity. We have also increased the volume of our business and enlarged our market share. Rental is still the most popular way, in Great Britain, of acquiring a television set.

We were able, towards the end of the financial year, to negotiate three substantial acquisitions. On the rental side alone these and other minor purchases have increased the number of our hirers by over 80,000. These acquisitions will have little effect on the Group's profits in the current year, but should benefit profits in future years.

Under present economic conditions, it seems regrettable that the Government has decided to subject television set rental to examination by the Price Commission, less than two years after the Commission reported upon the industry under a previous reference. We can see no valid reasons for this restriction, and we have been given no reasons of any sort. It is to be hoped that this examination will not lead to any disturbance of our rental industry or of the closely allied British television manufacturing industry now so vulnerable to foreign competition.

Manufacture of our completely new range of colour television sets started in our factories in

the early part of the year. Since then we have achieved a satisfactory and constant level of production. The new range is designed up to the latest standards. It has been very well received and the reliability figures which it is achieving are gratifying.

In America there has recently been considerable movement in the market for video cassette recorders. There will soon be a number of video recording systems on the British market and Rediffusion will be able to offer its customers a choice.

The Post Office is about to start a market trial of its Viewdata service, and Rediffusion is making a hundred television sets, equipped to receive Viewdata as well as the broadcast programmes, to take part in that trial.

We recently announced plans which we have proposed to the Home Secretary for Rediffusion to provide by cable a service of Pay-TV, based upon feature films, starting in four towns where extensive cable television networks already exist. At present we are not permitted to distribute over cable any programmes except those which are also broadcast over the air and therefore our proposal awaits a Government decision. In other countries there seems to be greater freedom.

For example, at Arnhem in Holland some of the citizens already receive a choice of fourteen television and radio programmes by means of a 'Dial-a-Program' system designed and developed by Rediffusion.

Rediffusion Industrial Services specialises in the design and installation of audio and visual communication systems. Its sales during the year were a record and its profit showed a marked increase. The company has been active in overseas markets.

Electronic capital equipment

The computer and flight simulation activities of our Rediffusion companies had an excellent year and achieved substantial profit increases. Unfortunately profits were reduced by the loss from the Telecommunications company, which is undergoing major reorganisation, and by an unexpected loss in the Systems

Simulation Division. Overall, the Rediffusion companies in the United Kingdom produced less profit this year than last.

Music services

International Library Service Limited and its subsidiaries, which are responsible for the Group's music services, increased their turnover and profit by more than 20%.

Associated companies

Rediffusion Television, in which we have a 37½% interest, benefited from the improvement in the revenue earned by Thames Television from television advertisers.

Rediffusion Holdings, in which also our holding is 37½%, achieved a substantial improvement in its results for the year.

Overseas operations

It is a matter of concern for your Board that Rediffusion Television in Hong Kong, in spite of a considerable improvement in its audience figures, has not yet achieved the market share necessary to reach break-even.

The audience measurement survey still shows Rediffusion Television's Chinese-language service in second place for size of audience, among the three Chinese-language television services now being broadcast in Hong Kong, but with a larger share of audience than was attributed to it in 1977 and a far larger share than the third station is receiving. Rediffusion Television's share of the audience has yet to reach the level necessary to attract enough advertising revenue to cover the rising costs of its programme service, but happily its share is still growing.

The improving trend in our other operations in Hong Kong continued.

Our operations in Malaysia and Singapore continue to do well.

In Trinidad our radio station made an increased profit. Our television set business

produced a profit which was slightly less than the previous year's figure.

Io Barbados the imposition of a tax on the loudspeakers hired to the company's subscribers converted a hoped-for profit increase into a reduction.

Our radio station in Guyana has been struggling against severe economic depression and at the present time it is barely breaking even.

The discussions opened by the Government of Jamaica last year resulted in an outright sale of our former subsidiary, Radio Jamaica.

Electronic capital equipment overseas

Our overseas operations in the field of electronic capital equipment comprise Rediffusion's North American subsidiaries and Delta-Benco-Cascade. The latter company manufactures cable-television equipment at Toronto. Rediffusion's North American companies had a very successful year. The situation at Delta-Benco-Cascade is still extremely difficult. It is too early to assess its prospects, but we are hoping for an improved trading result for 1978.

The outlook

For the current year losses will continue to be incurred overseas. Much attention has been, and is being, given by U.K. management to the situation in Hong Kong and the most recent trading figures show an improvement although there is still a long way to go to reach break-even. At home, profits should increase, subject to any governmental action, and, overall, results for the current year should show an advance on those reported for the year under review.

A copy of the Accounts containing the Chairman's Review can be obtained on application to The Secretary, 71, Carlton House, Lower Regent Street, London SW1Y 4LS.

REDIFFUSION

BY THE FINANCIAL EDITOR

Bonn, the dollar and sceptical markets

The continuing weakness of the dollar again dominated financial markets yesterday. "Scepticism that the Bonn Summit will produce anything concrete, not least help for the dollar, is growing, while yesterday's split vote within the Federal Reserve Board on the United States discount rate did nothing to help confidence either.

Financial markets in London dropped on a combination of uncertainty and apathy. Whether anything will happen over the next two weeks to shake them out of their slumber remains to be seen but in addition to the Bremen and Bonn meetings, there is a heavy flow of economic statistics due from next Monday onwards.



Meanwhile, Sir Jack Wellings (above, chairman of the 600 Group), once again is expected to see the "overall level of results" to be at least maintained. Anything better is conditional on an upturn in the steel industry which, to judge by British Steel's mood and losses yesterday, seems unlikely in the foreseeable future. But other signs are a good deal more favourable.

For 600 the real problem has been the scrap market which went to slump last year, eating profits in iron and steel from £3.2m to £913,000. Inevitably, there has been a reaction. Both private sector steelmakers and the foundry industry have had to come back into the market while exports, particularly to Spain, have provided a buoyant higher price outlet. Prices generally have firmed (by up to 30 per cent in fact), although further strength is not expected, the scope for recovery is obviously significant.

Last year's fall in the value of scrap stocks would have helped 600 if it had produced Hyde inflation accounts, but the additional tax charge of £4.1m, which would not have been necessary under ED19, appears to cover the Hyde adjustment in fact Hyde sums increased attributable profits. This year and the year before last they would

probably have decreased them, an odd state of affairs when inflation was only moving in one direction. Part of the problem is that scrap ought really to be treated as a commodity but 600's withdrawal from the Hyde stakes is further confirmation of the uncertainty of this situation.

With or without Hyde, the balance sheet has strengthened however, with total borrowings down from 43 per cent to 37 per cent of shareholders' funds and cash of £7.4m. That level of liquidity though will be a minimum to cope with any volume upturn. Similarly 600 is unlikely to want to produce any excitement on the dividend front by reducing present cover of 2.8.

But, with machine tools and engineering apparently ready to produce more growth to add to the recovery in scrap, profits of £13.5m seem attainable this year so the shares are well supported on a prospective fully-taxed p/e ratio of 5.6 and a yield of 7.7 per cent.

Heart-rending cries from the clearing banks about how the nasty building societies are punching all their customers' savings look a little theatrical when one examines the impact of the building societies on the short-term savings market over the past 10 years.

There has indeed been a major casualty—but it is not the banks which have been the victims of the massive expansion of building society assets. The growth in building societies has been very largely at the expense of National Savings.

Figures extracted from Economic Trends show that in 1966 building societies had a 24 per cent share of the short-term financial assets of households and National Savings 34 per cent. By 1977 the figures had been reversed: building societies enjoyed an estimated 43 per cent and National Savings 19 per cent. The clearing banks' share, meanwhile, is virtually unchanged at 29 per cent, compared with 30 per cent 10 years ago.

The remarkable aspect of these figures is the degree of Government connivance in the run-down of National Savings. It implies. Both the banks and the building societies have to operate within the constraints of making a profitable turn on the money they borrow and subsequently lend. The Government relies "merely" on taxes if it wishes to improve the terms it can offer and add further sweeteners by way of tax concessions on individual products.

So the recent decision to promote National Savings at the expense of building societies (the stay of the execution for the attractive fourteen issue of National Savings certificates and big increase in the maximum holding) is perhaps an even bigger and more interesting volte-face than has so far been appreciated.

Pressure on Eurocurrency profits

The Eurocurrency market is showing every sign of sustaining its remarkable growth momentum. If the pattern of the first half is anything to judge by, international bank lending this year will comfortably top \$60,000m. That would represent an increase of more than 50 per cent from last year and would be no less than 10 times the 1972 level.

Banks are not overjoyed about this, however. On the contrary, profits are under more intense pressure than at any time since early 1974 before the collapse of Herstatt Bank restored some sanity to a market carried away by a competitive rush to acquire assets. The key factor has been the contraction in lending margins over interbank rates, the effective cost of money to the banks themselves. But such is the liquidity of the market, and the desire of the banks to lend that management fees have been contracting, longer grace periods are being allowed before repayments begin, final maturities have lengthened—in some cases to as much as 12 years—and technical detail in loan documents, covering such matters as cross default and negative pledges, are commonly being changed in the borrowers' favour.

Meanwhile, the failure of bankers to insist on clauses forbidding early repayments has meant that they are now deluged by borrowers wanting to pay back high margin loans contracted between 1975 and

1977 with a view to reviewing them at today's low rates. The United Kingdom's \$1,500m refinancing is a classic case.

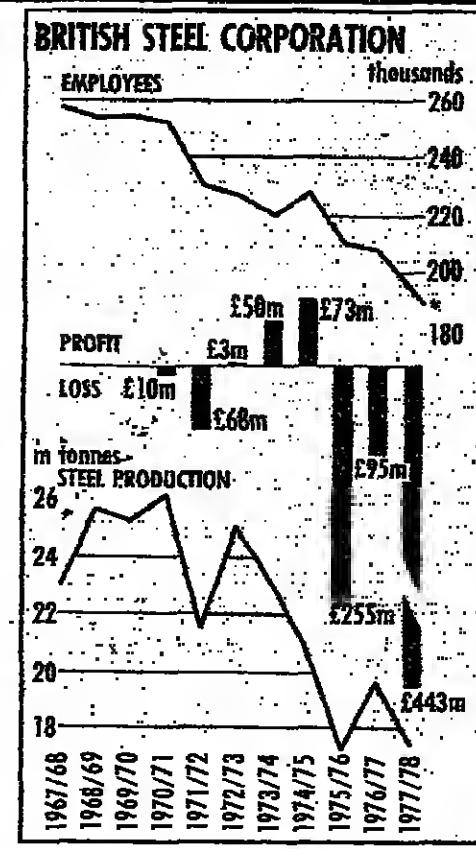
The scale of the squeeze has now been quantified by Morgan Guaranty Trust, which calculated that the average loan spread for 20 selected countries has contracted from 1.52 per cent to 1.03 per cent over the past four quarters, an effective cut of a third in profitability. At the same time average loan maturities have moved out from six and a half to nine years.

Moreover, there has been a progressive contraction of the margin differentials applicable to varying borrowers. For the very best quality borrowers spreads are still around 1 to 1.5 per cent over interbank rates, not much lower than they were earlier this year. But for other borrowers the decline has been steep. A current Brazilian deal, for instance, incorporates a spread of 1.4 per cent whereas six months ago Brazilian borrowers were paying 2 per cent.

Around 30 borrowers have raised funds at less than 1 per cent, the minimum level that bankers calculate is necessary to cover costs. Most banks are nonetheless competing hard for business because domestic loan demand is flat, and bigger participation is one way to counter the decline in margins. The only real exception is the United States where loan demand is buoyant, and the American banks have frequently stayed out of some of the finest margin deals.

Brutal truths at British Steel

'BSC must face the fact that Britain does not have to pump such huge resources into steel and there are many other claims on the money'



Profit and loss figures are after tax and extraordinary items. No profit and loss figures are available for the period before 1970/71 because at the time of formation at least three different accounting procedures were being followed.

* 190,000 Tonnals total up to the end of June. Source: BSC.

Just one week after he issued his gravest warning yet "on the future of state-owned steel-making in Britain, Sir Charles Villiers, chairman of the British Steel Corporation underlined that warning yesterday when he unveiled the largest single trading loss in British industrial history.

BSC weighed in with a loss of £443m, smaller in the event than had been expected some months ago, but equivalent to a loss of £25 a tonne on each of the 17.4 million tonnes of liquid steel produced by the corporation last year.

Sir Charles, polite and courteous as ever, noted that the losses would have been even greater had it not been for the efforts of management and process workers in reducing shifts, effecting economies and, (with the Government's blessing), closing down old and outdated plants which should have been closed years ago.

But BSC is still in an appalling mess. There has been a sharp change in the international environment for the steel industry. New steelmakers are emerging able to produce steel more efficiently than the established steelmakers. Markets which have been the preserve of the United States, Japan and Europe for years are closing as new suppliers develop and countries which previously were markets are supplied increasingly from their own domestic industries.

Some urgent and clear rethinking of approaches towards the labour force is vital if the corporation's closure programme is to go ahead at an acceptable pace.

After the years of procrastination, delay and indecision the BSC earlier this year set the go-ahead from the Government to press step-by-step to reorganise the industry and gear itself for breaking even again by April 1980. That canon was contained in the Government's White Paper, the Road to Viability, and was complemented by the corporation's own document, Prospects for Steel.

The closure of the outdated open hearth plants, the so called

Beswick plants, which had been reviewed after a government review under the direction of Lord Beswick, went ahead. Steel Trades Confederation (STC) was enough to prompt an explosion among the delegates at the union's conference last week.

The STC general secretary, Mr William Sims, served notice of a national steel strike if the closure went ahead. The letter was promptly withdrawn—BSC can ill afford an industry-wide strike which would have led to further erosion of its market share.

But the manner in which the affair was handled has led to internal recriminations and serious contemplation of what the next approach should be. The unions, and particularly the STC, clearly have to be seen

taking a stand. As works close, its membership dwindles, although the leadership of all the 18 unions involved in the TUC Steel Industry Committee are being made aware of the gravity of the crisis which faces BSC and other steelmakers. That involvement in the harsh realities of the market place will become even more apparent to the unions as the corporation's industrial democracy plans become a reality.

It was nevertheless clear that the corporation would run into a brick wall sooner or later with the unions over the closure programme. It has been suggested that the STC, where the workers are demanding a £50,000 iron handshake per man in return for early closure.

But the corporation and the unions, which are now pondering their next moves in a "cooling off period" in the aftermath of last week's outburst, are fully aware that the market is not going to improve dramatically for a long time ahead. Internally the BSC is projecting little change in overall sales volume from last year, while overall export sales are likely to be down by nearly 750,000 tonnes.

The harsh and unpalatable facts of the steel industry of the future will have to be spelled out. Some of the harsh facts have been taken on board by the leadership and increasingly by the members.

The steelmaking life is clear enough. BSC has an installed capacity of 25 million tonnes, although through reduced plant working and closures which have taken place so far, actual capacity is about 22 million tonnes.

But sales next year of only slightly over 17 million tonnes and the fact that about five million tonnes of new and costly investment will be brought on stream by early 1980 clearly imply a commensurate reduction in older high cost units where the potential for cost reduction is minimal.

Sir Charles spoke yesterday of the realization which was growing among the labour force of the need to boost productivity and the necessity to achieve economies. But time is not on the side of the BSC's management or the labour force and souring of relationships is both regrettable and dangerous.

"BSC must face the fact," Sir Charles said, "that Britain does not have to pump such huge resources into steel and there are many alternative claims on the money." BSC will have to shoulder its share of the two million tonnes of production cutbacks being sought by the commission by the end of this year and that means that the job shedding and plant closure programme must go ahead.

Peter Hill

Brussels—catalyst for change in company law

Paul Rutteman

The Fourth Directive on Company Law approved by the Council of Ministers last week is perhaps the most important directive in this field yet to emerge from Brussels. Its purpose is to harmonize the form and content of company accounts. As such it prescribes certain forms to be used for balance sheets and profit and loss accounts, lays down detailed disclosure requirements and specifies the accounting principles to be used in valuing assets.

The United Kingdom and other member states will have two years to adjust local company law to meet the requirements and a further 18 months to bring the law into effect. The full impact may therefore not be felt until 1982.

Work first started on this directive more than 10 years ago even before the United Kingdom joined the EEC. The first draft, published in 1971, was very closely modelled on German company law which is highly prescriptive. Since then it has been amended to meet the needs of the new members and to take up a number of suggestions made by such bodies as the Accounting Society Group, a body comprising representatives of the accounting profession in the member states.

During the 10-year period company law has already been updated in several member states and accounting practice has developed generally so that the changes required are no longer as fundamental as at one time it seemed they might have to be. In the United Kingdom major companies already provide most of the information that will be required to be disclosed, but this will be the first time that specified formats of accounts and accounting principles to be used in

valuing assets will be laid down in company law.

The original proposals required goodwill to be written off in a maximum of five years but in the course of negotiations that has changed so that it may instead be written off systematically over a longer period, not exceeding its economic life. If the legislation to be introduced is no more stringent—and it must be remembered that the directives lay down only minimum requirements—the only United Kingdom companies to be affected will be those that make no "write down" at all. On the other hand, since the directive requires depreciation to be charged in respect of all wasting assets, property investment companies will no longer remain exempt from providing depreciation on their properties.

As regards format, member states are allowed to choose a vertical or a horizontal form of balance sheet (or permit both) but the items must be laid out in a set order. The directive allows a choice between profit and loss accounts analyzed by type of expenditure (materials, wages, depreciation and the like) or by type of operation (cost of sales, distribution costs, general administrative expense, and so on). The latter would appear to be more useful, but in both cases there will be more disclosure of labour costs and an analysis of operating costs not only by type of activity but by geographical market.

While some changes will therefore affect all United Kingdom companies, the changes are not as great as some other countries. It will, for example, be helpful to see described the accounting policies underlying the accounts in those countries where it is difficult to analyse

capital requirements to be met, distributable profits will for the first time be defined.

Other directives based on the fourth are in the pipeline. The seventh, for example, will harmonize the approach to consolidated accounts for groups of companies. Since the accounting disclosure requirements closely follow those of the fourth, the chances are that the Government will extend the legislation on company accounts to groups of companies.

Banks and insurance companies are exempt from the fourth directive—but other directives are being prepared to harmonize the format and content of their accounts. Finally the proposed eighth directive on qualifications of auditors, published in May, 1978, will do much to ensure that auditors throughout the EEC have similar training and be subject to similar independence requirements.

All this suggests that there will be many changes needed to United Kingdom company law in the near future and undoubtedly company law will become more prescriptive. While the intervention of Brussels adds the slow pace at which directives are introduced may be deplored it is fair to say that the commission has acted as a

catalyst and not shown itself insensitive to the views of the member states.

For example, the draft fifth directive published in 1972 prescribed a two-tier board structure for public companies with some form of employee participation on the supervisory boards of large companies. The proposals were not considered acceptable in the United Kingdom at the time and the draft directive was withdrawn by the commission when the extent of resistance was appreciated. Instead a discussion paper was issued suggesting a transitional period for experimentation with two-tier boards and employee participation before modified proposals are put forward.

Interestingly, the proposals of the government White Paper on industrial democracy are not so very different from those of the draft fifth directive. So whether United Kingdom legislation anticipates directives or follows from them are undoubtedly beginning to have a significant effect on United Kingdom company law.

The author is a partner in Arthur Young McClelland Moores & Company and a United Kingdom representative to the Accountants Study Group in Brussels.

INTERNATIONAL TIMBER: Cautious optimism

Extracts from the Annual Statement by the Chairman, Mr. R.E. Groves.

Results

Reduced activity in the construction industry was largely responsible for a drop of about 10% in the U.K. consumption of timber and timber products compared to the previous year. Inevitably competition was severe and margins were under pressure. The sterling appreciation in the second half of our financial year by more than 10% affected margins.

A fine contribution from the Netherlands and a very satisfactory profit from the Belize company were most welcome.

With interest reduced by £1.1 million, the total dividend for the year is recommended to be increased by the permitted maximum to 7.035p.

Balance Sheet

In addition to profits a number of features contributed to a further strengthening of the Balance Sheet. Some £2 million of Unsecured Loan Stock, being over half of the amount then in issue, was converted to Ordinary Stock at 30th September last. The disposal of most of our investment in Belgium and the repayment of borrowings in that country brought about a reduction in loans.

During the year sales of surplus freehold sites continued, producing a cash inflow of just over £1 million. In the current year receipts are likely to exceed

this figure. Negotiations are at an advanced stage for the sale of half of the Giltaten site in London E15, which alone should ensure this. Changes in handling methods mean that the remaining 12 acre site fully meets our needs.

Our objectives include a continued strengthening of the Balance Sheet.

Future Prospects

Economic activity throughout the world is still restrained and currency uncertainties are likely to maintain the industry's caution of the past year or two. A slight improvement in the construction industry now seems likely. Our sales levels are ahead of last year; our forecasts are for this improvement to continue; our manufacturing companies are working near to capacity. In all the circumstances a degree of cautious optimism is justified.

Financial Highlights for the 52 weeks ended 1st April 1978

Sales	£134,656,000
Trading profit	£7,678,000
Profit before taxation	£5,567,000
Profit after taxation & extraordinary item	£2,313,000
Ordinary capital & reserves	£39,913,000

International Timber and its subsidiaries are engaged principally in the production, importation and distribution of wood and wood products and as manufacturers and suppliers of materials and services to the construction industry, to industry generally and through branch outlets to trade and retail consumers.

Copies of the Annual Report for the 52 weeks ended 1st April 1978, containing the Chairman's Statement in full, are available from the Secretary, International Timber Corporation Limited, Deerpark Road, London E15 2JF.

Business Diary: One man's meat • Spillers' best friend

A few heads may be feeling a little uneasy on shoulders at Unigate, the food company, after yesterday's abrupt departure of John Rogers, chairman of the meat division.

It seems there were some important policy differences between Rogers and the other directors, but Unigate was being coy about their substance. A statement yesterday merely said that Rogers had "left the company and relinquished all his responsibilities".

This is only the most recent in a longish train of departures since John Clement took over from Sir James Barker as chairman last September. City sources believe that Clement is determined to shake up Unigate management.

Problems in the meat division may not have headed Rogers. Scot Meat products have been hurt by Continental competition, and last year the Scot-Bowyers merger was undone to form two separate divisions again. Meat products are not expected to improve much on last year's £3.6m.

The new overseer of the meat division will be John Read, who is also finance director and chairman of the transport and engineering division. In addition, he is a director of Equity Capital for Industry.

A Unigate spokesman said it was not intended to appoint another full-time meat chairman. The division's management was strong enough to do without a head.

Spillers is under the watchful eye of its bankers after pulling out of bread baking. But Geoffrey Johns, managing director of the food division, expects that in his last days will con-

sine to be no problem in getting board clearance on investment capital.

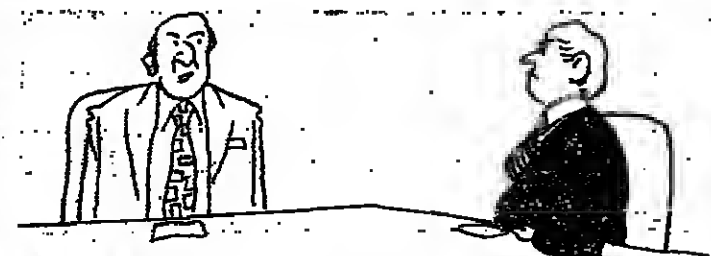
The division, which accounts for some 20 per cent of total Spillers turnover, but significantly more of its profits, gets its best profit margins from pet foods. These, unlike most grocery lines, are still enjoying annual growth of between 6 to 8 per cent. After all, some 40 per cent of pet owners still feed their animals with kitchen scraps or fresh meat.

John is busy last night banging the drum for his division's latest product launch, a new dog food called Sprieger, which goes on market next month. A meat and vegetable protein mixture in a foil pack, it is aimed at that "non-prepared" gap in the market, worth around £100m a year.

The product falls neatly in marketing terms between the dry petfood sector—in which Spillers is market leader with Winalot—and the canned food sector where the company's Choice Cuts is number two to the Mars organization's Pedigree Chum. Spillers claim about a quarter of the total petfood market.

Amid the bread brouhaha, John, an import from Cadbury Schweppes in 1974, has been keeping a low profile, but since then he reckons that, discounting the bakery losses entirely, his division has increased its share of group profitability by 4 per cent. Return on capital has also gone up 8 per cent since 1974, he reckons.

While EMI fights to maintain market for diagnostic body scanners, the National Export Board has decided to back



How much would it cost to get seventeen shaikhs without tickets into Wimbledon?

a company producing a machine which is described as complementary and only one third of the price.

The company is J. & P. Engineering, of Reading, which until 18 months ago was a fairly obscure concern, with a turnover last year of about £750,000, specializing in electronic instruments for the nuclear research industry. Then it bounced into the news with an impressive demonstration of its Tomog scanner, at the Royal Institution.

Unlike the EMI X-ray scanner, the Tomogscanner uses a radioactive chemical injected in the bloodstream to produce a detailed picture of a slice of the brain or other part of the body.

The machines cost about £80,000. Four are already installed—three in Germany and one in France—and a further three are on order. But Anthony Bernard, J. & P.'s managing director and one of the co-developers of the machine, and the NEB put the potential

market at £20m a year, or about 200 machines a year. The NEB will provide £100,000 in equity and £100,000 in unsecured loans. This will help J. & P., which started life as sub-contracting engineers in 1954, exploit their lead in the field.

Who made the original approach? Bernard says J. & P. were invited along to the NEB for a general chat about the problems facing small companies exporting medical equipment. "Later we went back to speak specifically about our own case."

If the oil shaikhs ever took it into their heads to buy control of the Italian companies quoted on the Milan bourse, they ought in theory to be able to do for about \$4,200m (about £2,270m). That is the conclusion reached by the domestic news agency Italia, which calculated in a survey that the total value of the 167 shares quoted on Italy's biggest stock exchange amounted at the end

FINANCIAL NEWS AND MARKET REPORTS

B & P may seek new partners for the next Iranian contract

By Ray Maughan

A growth slow-down at the Bath & Portland Group had been well signalled at board level and yesterday's reaction to a 9.2 per cent advance to £2.05m pre-tax probably owes more to the market trend than any particular dissatisfaction with the results. The shares dropped 3p to 74p on the figures for the six months to end-April last.

Turnover climbed by only £500,000 to £37.41m, and it has been obvious for some time that the United Kingdom civil engineering and construction interests have been a brake on growth. Contracts in Iran and Iraq contributed £922,000 against £890,000 at the trading level since the work in Iran lost something of its high sales value content as the contract—which may now not be finalised before December, 1978—switches from predominantly bridge construction to low-margin earth-moving operations.

Bath & Portland will clearly be looking at further Iranian work and one contract has been mooted whose value is far in excess of the current £100m.



Sir Kenneth Selby, chairman of Bath & Portland.

plus desert road-building programme. Confident of its technical ability to undertake such work, the group is nevertheless loath to embark on the necessary equipment financing by itself and the entry of another United Kingdom contractor is not beyond the bounds of possibility.

ility. In that context, a merger of the kind proposed by Fairclough last year cannot be discounted.

To employ home-coming staff and to stay in the forefront of United Kingdom civil engineering techniques, a domestic contract worth about £9m will be needed by next spring but, in the meantime, growth looks a strong possibility in other areas. Minerals, whose contribution rose from £505,000 to £555,000 should continue to enjoy the benefits of its local bases and the agricultural division (£326,000 against £310,000 at the trading level) could return to higher profits.

A break-even had been anticipated in the chemicals division but a severe offensive by traditional importers into the United Kingdom di-calcium sulphate market limited the recovery to a loss of £63,000 against the earlier deficit of £160,000. Recovery is expected in the second half and chairman Sir Kenneth Selby is confident that an attack on European markets will eventually reward the group's £125m investment here.

Hampton Gold bids for coal-mining equipment firm

By Michael Prest

Just as Hampton Gold Mining Areas has revealed a drop in pre-tax profits of more than £200,000 to £508,000, the company has also announced a bid for Wulter Machinery, an unquoted Yorkshire maker of coal-mining equipment. The bid is being made by offering £1.4m in cash and issuing 1m Hampton ordinary shares.

The shortfall in profits is attributed almost entirely to lower nickel royalties at Western Mining, of which Hampton receives 1.5 per cent. But the company is hoping to make a significant acquisition or enter into a joint venture in Australia before long, probably to coal. It also expects that spudding of well 211/22-2 in the

North Sea, in which it has a 2.5 per cent stake and of which the operator is Total, will be in a couple of days.

Hampton is withdrawing from the Torrington Wolfram, apparently because the partners could not agree on its future control and development. Its stake is now 8.7 per cent and an offer for this holding has been accepted.

Discussions with the Inland Revenue resulted in the company being allowed to offset exploration costs on the grounds that oil and coal are the same business. As a result, nearly £113,000 was brought forward against the 1977 tax charge and after-tax profits were £342,000, compared with £265,000

One-for-three 'rights' by Dartmouth Inv

Dartmouth Investments, the Birmingham-based engineering group, plans to raise about £462,000 by a rights issue.

The "rights" will be on the basis of one new ordinary share at 15p for every three held, field giving a discount of 25 per cent on the over-night price and an ex-rights price of 18.7p. On the same basis, Mr D. C. Hathaway, chairman, said that the outlook for the current year but, the board intends to recommend total dividends of 1.89p gross for the year to March, 1979, an increase of 56 per cent.

The proceeds will be used to reduce borrowings.

Newman-Tonks agrees £4m offer

By Peter Watnwright

A bid has arrived for Econa, the sanitary engineer, at last. It has been a nervous wait for Newman-Tonks, in a similar line of business, to come up with an agreed £4m offer, worth 98p a share.

Early last year, it became known that Walter Lawrence, an industrial holding group, had picked up nearly 11 per cent of Econa's shares. But the following December it sold this stake to institutions for around 62p a share.

That placing seemed discouraging in the sense that Lawrence had clearly dropped out of any entanglement with anyone else taking its place. That is one reason why the shares were only 70p before suspension last week. They came back yesterday at 93p, while Newman-Tonks were 1p off, at 92p.

The terms are 9 shares in Newman and £4.35 in cash for every 10 shares in Econa.

Hill Samuel is providing a cash alternative of 93.5p a share. Econa's directors, support the offer with a stake of 5.9 per cent.

Newman is a leading manufacturer of architectural and building hardware, besides non-ferrous tubes and extrusions. Econa is linked to plumbing and heating.

In the year to July 31, Newman will simply match, or just beat, 1976-77's profits before tax and extraordinary items of £1.73m. On the same basis, Econa's profits in the year to last March rose from £79,497 to £733,250.

From these profits are deducted £164,908 in "exceptional" items. No tax is payable "as in the case of the deferred tax will not become payable in the foreseeable future." In that case, after tax profits, ignoring exceptional items, are still £733,250. On this basis, the exit price-earnings ratio is 5, but it would, of course, be much higher on a full tax charge. Econa's audited preliminary figures indicate pre-tax profits of £568,342 because they are struck after exceptional items. On this figure, and again deducting no tax, the P/E is more than 7.

Stock markets

Index slides another five points

The somewhat disillusioned small investors came back into the stock market yesterday and knocked prices for six as many fear that the downturn in the economy is likely to continue.

With the mine workers asking for 40 per cent in the next wage round and institutions able to get around 10 per cent interest on overnight money there is little reason for the fund managers to buy equities in the current politically uncertain climate.

However, as has been seen over the past few weeks, buying on the way down has supported the FT Ordinary

Speculative buying of Henry Wigfall ran the shares up some 15p to 227p yesterday as some anticipated another bid battle. Talk that Comet might return is largely discounted and much of the equity improvement lies with imminence of the annual results. Although not normally due for another month profits are to be published on Monday.

share index as it eases the 450 level and yesterday some cheap buying at the close took leaders off the bottom to leave the index at 453.1 with a net loss of 5.0.

British funds also proved to be a flat market. Additionally hampered by the prospect of climbing interest rates in America shorts, caught by the general gloom and despondency, slipped by as much as half a point during the day to end of the bottom while at the longer end, some marking down in sympathy left stocks around a half easier.

There were few bright spots among the leaders. ICI, in line with the general trend, lost 5p to 365p while BAT at 305p eased back 7p and Unilever slipped 4p to 514p. Pions at 355p and Glaxo at 555p held steady on the day.

A line of some 250,000 shares in Courtaulds clipped 2p from the price at 110p while large selling orders took 5p from Boots at 201p and Lucas at 297p. Profit taking also affected John Brown where the shares tumbled 8p to 382p as the stock hit the market.

Elsewhere in a dull engineering sector Tubes slipped 4p to 338p and Metal Box at 314p and Staveley at 269p eased 2p each. Econa, suspended at 71p, touched 93p at one stage follow-

ing bid terms from Newman-Tonks, a penny lower at 59p. Comment on its annual report helped J. Lyons rally 2p to 79p while Reed International was unmoved at 129p. Spillers also marked time at 28p but there is talk of several Scottish buyers looking for stock at this level.

Below par results and a disappointing second interim dividend from Dale Electric left the shares languishing 9p off at 155p while GEC at 264p and Thorn at 314p lost 2p each in front of results tomorrow.

Caledonian Associated Cinemas was a bright spot climbing 20p to 405p in a thin market, following figures while results out up to expectations hurt George Bassett which shed 14p to 120p.

Bath & Portland at 75p and Tex Abrasives at 60p each lost 3p while Rexmore dipped 11p to 57p.

Following results earlier Henderson-Kenton climbed a further penny to 88p, still inspired by the preference scrip issue while James Cropper added 10p to 53p. Associated Newspapers, hit by profit taking, slipped 3p to 167p.

In banks the already depressed Hambros lost a further 2p to 163p after Hillier Relesto confirmed the necessity of continuing financial support. The High Street clearers lost 5p each leaving Lloyds at 250p, Barclays at 308p, Midland at 335p and National Westminster at 253p.

Rubbers proved to be one of the few bright sectors of the day. Hopes of a 200 per cent scrip from Highlands & Lowlands gave the shares a 14p run to 135p.

Goldfields at 175p, President Brand at 29.36p and East Rand Properties at 27p. Of the marginals, which benefit from their gearing on the improved metal price, Kloof rose 12p to 326p and Harmony at 371p and Libanon at 531p each added 4p.

Profit taking on Hongkong shares trimmed 7p from Jardine Matheson at 284p, and 3p from Hong Kong & Shanghai Bank at 328p. Hong Kong Land was unmoved at 185p.

The market was not impressed by the Swire Pacific deal to buy the P & O 121 per cent stake in Cathay Holidays and after 10p run on Monday, Swire came back 31p to end at 153p.

In shipping P & O slipped to its low of the year, 4p down at 86p. Furness Withy, a recent speculative stock, dipped 5p to 223p while British & Commonwealth at 276p and European Ferries at 124p lost a penny or two. By contrast LOFS added 3p to 251p.

Speculative interest gave Edco a 10p spurt to 175p. Reflection of Guthrie's Middle East deal boosted the shares 11p to 325p.

In front of its annual meeting today Sainsbury slipped 3p to 190p while Tesco, revealing a £10m cash outflow in its annual report, eased 3p to 431p. In sympathy Associated Dairies shed 2p to 222p.

Oils were mixed with the volatile Siebens slipping 12p to 328p on profit taking. Shell pressed a penny to 547p while BP added 2p to 832p.

Golds sparked in the gloom on the back of a rising bullion price and Cape buying. Among those to go better were Consolidated Goldfields at 175p, President Brand at 29.36p and East Rand Properties at 27p.

Of the marginals, which benefit from their gearing on the improved metal price, Kloof rose 12p to 326p and Harmony at 371p and Libanon at 531p each added 4p.

Latest results

Company	Sales	Profits	Earnings	Div	Pay	Year's
Int or Fin	£m	£m	per share	per share	date	total
G. Bassett (F)	93.2(76.5)	3.01(3.04)	20.05(22.54)	4.26(4.03)	31.8	8.5(7.5)
Bath & Portland (I)	36.9(37.4)	1.9(2.0)	14.3(14.4)	3.5(3.4)	1.8	6.4(5.7)
Bristol Ex (F)	18.1(15.0)	1.7(1.2)	14.3(10.4)	—	—	—
Brazallan Hides (F)	—	0.19(0.08)	—	—	—	—
Cal Assoc Cloe (F)	6.3(4.9)	0.46(0.34)	60.5(41.5)	2.6(2.3)	—	2.6(2.3)
Customatic (F)	3.6(4.6)	0.18(0.15)	1.9(1.9)	—	—	—
Dale Elect (I)	—	—	1.49(1.22)	—	—	—
G. H. Downing (F)	1.7(1.8)	6.7(41.5)	6.4(5.7)	—	2.10	11.4(10.2)
E. Elliott (F)	4.6(3.5)	0.24(0.15)	5.6(3.4)	1.5(1.0)	—	1.5(1.5)
Hampton Gld (F)	0.31(0.313)	0.50(0.72)	8.2(7.0)	2.5(1.45)	7/9	2.5(1.45)
Lincroft Kilgour (I)	6.5(5.9)	0.42(0.36)	5.27(6.6)	1.5(1.35)	14/9	—
McMullen (I)	6.0(5.3)	0.83(0.67)	—	—	—	—
Rexmore (F)	31.3(31.8)	0.89(0.97)	9.5(11.0)	3.0(2.7)	5/9	4.25(3.85)
Roper Hides (F)	12.3(10.4)	2.3(2.0)	7.4(8.5)	1.0(0.8)	—	2.1(1.9)
Tex Abrasives (F)	5.2(4.4)	0.45(0.27)	—	—	15/9	3.0(2.7)
Winterbottom Tel (I)	0.32(0.29)	0.21(0.18)	2.5(2.1)	2.0(1.6)	11/8	—

Dividends in this table are shown net of tax on pence per share. Elsewhere in Business News dividends are shown on a gross basis. To establish gross multiply the net dividend by 1.515. Profits are shown pre-tax and earnings are net. a=Loss.

Pegler Hattersley
1978

- Sales increased by 8% to £86.8m. Exports rose by 16% to £22.8m.
- The deterioration in terms of trade that had become evident last year continued during the present year, with the result that group profit before metal stock depreciation fell from £17.2m to £13.2m. Steel valves in particular came under severe price competition.
- The Industrial and Merchandising divisions improved their earnings and associated companies again contributed handsomely to group results.
- We have continued our policy of placing substantial orders for capital expenditure.
- If competition in certain markets does not become more severe and we can avoid major stoppages in our factories, I would expect that our position will improve in the current year.

SUMMARY OF RESULTS

	1978	1977
	£000	£000
Profit before metal stock depreciation	13,181	17,205
Profit before tax	12,581	18,155
Profit after tax	7,669	12,157
Earnings per share	26.1p	41.5p
Dividend per share (gross)	11.644p	10.586p



J. M. Harrison (Chairman)

Copies of the full report and accounts are available from The Secretary, Pegler-Hattersley Limited, St. Catherine's Avenue, Doncaster DN4 8DF.

INDUSTRIAL VALVES - DOMESTIC PLUMBING FITTINGS - RADIATOR VALVES
ACRYLIC SANITARY WARE - INDUSTRIAL RUBBER COMPONENTS
FABRICATIONS AND DESALINATION EQUIPMENT

BSS

The British Steam
Specialties Group Limited

Industrial pipeline and heating equipment; control instruments and systems for liquids, powders and granules.

Highlights from the Annual Report

	1978	1977	1976
	£000's	£000's	£000's
Turnover	31,144	27,235	21,510
Profit before taxation	2,221	1,777	1,156
Profit after taxation (52%)	1,080	806	527
Dividends	482	431	362
Earnings per share	11.5p	8.6p	5.9p

- Profits up 28%.
- Turnover up 14%.
- Scrip issue: one for ten.
- Given fair trading conditions, I am hopeful that the current year should show further improvement.

For copies of the Report and Accounts apply to the Secretary, The British Steam Specialties Group Limited, Fleet House, Lee Circle, Leicester LE1 3QQ.

Extel's profit exceeds £2m

- Profit for the year to 31st March, 1978 was 20% higher than the previous year.
- The number of subscribers to the Racing News Service fell again and profits will only be held by cost savings and investment in the expansion of Extel-PA Show which has made steady progress.
- A new company Fintel was set up jointly with the Financial Times to provide business information services, initially to the Post Office Prestel system.
- The Burrup, Mathieson printing group maintained their share of the market and expanded turnover and profits.
- Results from Robo phone are improving steadily and new telephone answering equipment received a favourable response.
- Extel Statistical Services launched three new services and showed higher turnover and profits as did Extel Computing.
- The activities of Extel Advertising & PR developed well achieving a substantial rise in profits. The Engineering Division again increased its share of an expanding market.
- The Group has acquired 45% of the share capital of Transtel Communications Ltd., a subsidiary of the unrelated Extel Corporation of America.
- Following four years of substantial investment in its businesses, the Group will continue to make good progress.

	1978	1977	1976
	£000's	£000's	£000's
Turnover	20,862	17,886	15,568
Profit before taxation	2,117	1,763	1,513
Profit after taxation	1,009	903	724
Dividend per share	5.4p	4.8p	4.4p
Earnings per share	11.4p	10.2p	8.2p

The Exchange Telegraph Company (Holdings) Ltd.
Extel House, East Harding Street, London EC4P 4HB

Extel GROUP

SPORTING AND FINANCIAL NEWS,
STATISTICAL AND COMPUTERISED INFORMATION,
ENGINEERING SERVICES, PRINTING,
ADVERTISING & PUBLIC RELATIONS,
TELEPHONE COMMUNICATIONS SYSTEMS.

FINANCIAL NEWS

Dividend pledge from Geo Bassett

By Michael Clark

If dividend restraint is lifted in August they will be paid for Geo Bassett Holdings the quarterly dividends group, in a third interim of 15.15p making a total of 10.1p gross—an increase of 29 per cent over last year.

Nevertheless, the market remained unimpressed with the prospective bonus and the shares plunged 14p to 120p yesterday, giving a yield of 8.4 per cent.

The group's results for the year to March 31 show a slip in pre-tax profits from £3.08m to £2.02m which was well short of some expectations of around £4m.

Mr D. Gordon Johnson, the outgoing chairman, says that it is too early to give any forecast on current progress, as the group had not reached its business period which occurs in the autumn in time for Christmas. However, trading to date had been going reasonably well.

The hiccup in profits came in the second half, which saw profits 27 per cent down on the corresponding period.

The chairman gives several reasons for this shortfall, the first being the sale of its wholesale and retail offshoot Drakes Sweets and Marketing for some £5.3m, to Palmer & Harvey.

Additionally, the squeeze on tobacco sales, which has seen overall market sales fall by some 7 per cent recently,



Mr William R. Mills, managing director and chairman-designate of Geo. Bassett Holdings.

coupled with the winding up of its sundries division cost the group about £150,000.

The main contribution to group profits has once again come from the manufacturing side which contributes some 75 per cent to overall profits.

Turnover last year increased by £16.6m to £93.3m. There is a net extraordinary credit of £2.8m against a debit of £409,000. The profit on the sale of Drakes, was £3.7m but the writing off of goodwill arising on acquisitions during the year cost £175,000.

Rediffusion wants to oust its auditors

By Our Financial Staff

The accounts of Rediffusion, a subsidiary of British Electric Traction where in BET have nearly 58 per cent and Philips Electronic just over 9 per cent, show that the directors led by Sir John Spencer Willis plan to appoint new auditors.

But the present joint auditors, Binder Hamlyn, and Fryer Whitehall are resisting the board's proposal to appoint Deloitte Haskins & Sells in their stead.

Taking advantage of the 1976 Companies Act, Binder and Fryer are agreeing to shareholders, to whom they are legally responsible, to be re-elected.

Rediffusion makes it clear that it is in no way dissatisfied with the present auditors. But they think it would simplify matters if there could be one firm to audit the entire Rediffusion Group. This prompted them to ask Deloitte Haskins & Sells who already

audit Rediffusion's parent, BET, to do the job.

Binder and Fryer draw attention to the structure of the Rediffusion wherein there are big minority holdings. Their interests, they argue may conflict with those of the parent company.

The board replies that it has always been, and will continue to be, especially conscious of the interests of minority shareholders.

There are 6,700 ordinary shareholders in Rediffusion other than the BET controlling stake and 270 in the preference stock.

Rediffusion's board consists of ten directors of whom three, including the chairman, are executive directors. BET of three are executives of Rediffusion and four are independent non executive directors.

The annual meeting to consider the resolution to change auditors will be in London's Connaught Rooms, Great Queen Street, on July 26.

NEB's £4.2m investment in Logica computer group

By Maurice Corina

The National Enterprise Board is to take a holding of between 20 and 30 per cent in a new holding company which will control the Logica group of computer software and systems companies.

Agreement in principle was announced yesterday for forming a new company to buy, for about £4.2m, shares held by the Planned Research Corporation, the professional services organisation which provided financial backing for Logica from the start of its operations nine years ago. Logica and PRC will continue to cooperate on projects.

If formal agreements are signed, it is intended that Logica's staff shareholders will

hold 51 per cent of the new concern alongside the NEB's investment. The rest of the shareholding is to be held by other and as yet unnamed organisations, primarily European.

An NEB spokesman said that the corporate structure was still being finalised and would be announced in due course.

It is now felt that Logica's share structure should be changed to reflect the operations of the group. Therefore, particular emphasis is being placed on the entry of external shareholders from Britain and Holland", he said. In its short life Logica has become a leading European-based software and systems and operates in some of the fastest-growing sectors of the computer industry.

Tesco to spend £100m over the next three years

By Our Financial Staff

Tesco Stores (Holdings) is planning to spend £100m over the next three years, according to Mr Leslie Porter, the chairman, in his annual report.

The spending will add 1.6m square feet to selling space, an increase of 29 per cent over the current total. Capital spending last year came to £34m and there was a net increase in selling area of 257,000 square feet—a 529,000 square foot increase is planned for this year.

One major contract placed by Tesco is for 55m worth of new computers from IBM but most of the spending is aimed at steadily increasing the average store size.

Last year's spending resulted in a net cash outflow of £10m pushing cash in the balance sheet down from £24.4m to £15.1m and bank overdrafts up from all to £1.7m.

On trading, Mr Porter says United Kingdom food spending has stabilised, but the development programme should secure Tesco a larger share of the market. In contrast, spending on domestic and leisure items "still has a tremendous capacity for growth".

He points out that the Budget put more money in most customers' pockets and the results of current trading "show encouraging trends".

£892,000 on turnover down from £31.8m to £31.3m. Earnings a share are 9.5p against 11.06p but the final dividend is 4.54p making a total of 6.44p gross, against 5.83p.

Bazaloni trying to get cash from India

The usual difficulties in gathering audited statements in India has delayed the accounts of Bazaloni Holdings for 1976 until now. Profits went up from £82,000 to £197,000 but it is "unrealistic" to consider dividend payments because of difficulties in meeting Indian foreign exchange regulations.

A further delay in the remittance of profits may be caused by a legal wrangle with the former agents Octavius Steel. This could lead to a lack of funds to meet expenses in the United Kingdom and is causing the board "some concern".

Yearling bonds again at 10½ pc

This week the coupon on local authority bonds is up from 10½ per cent to 10½ per cent of the second time that this peak for the year has been reached.

The biggest borrowers are Liverpool with £1.5m, while Newport and Wycombe are raising £1m apiece.

The Central Scotland Water Development Board is raising £1m over two years at 11½ per cent while variable bonds are preferred by Nottingham for £1m, and Aberdeen for £500,000.

MORE FINANCIAL NEWS, PAGE 26

Lincroft warning after peak result

The world recession and severe competition is catching up with Lincroft Kilgour Group. Last year, the cloth merchant and menswear manufacturing group managed a 36 per cent leap in pre-tax profits to a record £1.04m, but the board warns that this level will not be reached again this year.

The first six months to March 31 have been good, with trading profits rising 29 per cent to £462,500 on turnover 10 per cent up at £6.5m.

However, a loss on exchange rates of £38,000, against a profit of £6,000, has left pre-tax profits up by only 16 per cent to £424,000.

At the attributable level, profits are lower and netting a share are down from 6.59p to 5.27p. The interim dividend is raised from 2.04p to 2.27p gross, and assuming that dividend controls remain in force, the board plans to pay a maximum dividend.

Mr Tony Holland, the chairman, says that the recession in world trade is beginning to affect the merchandising division, with its high proportion of export sales. He is particularly concerned by import barriers in some traditional markets.

On the clothing side, he says that the bespoke tailoring section continues to operate well.

Stock losses but profits still up at Customagic

By Ray Maughan

Customagic Manufacturing, the Manchester-based stretch cover group subject to a contested 20p-per-share offer from Mooloya Investments, has brought publication of its results for the year to end-April last forward by a few weeks to show a climb in pre-tax losses from £151,000 to £189,000.

Profits for the year were struck after exceptional stock losses of £80,000 on the importing operation, £50,000 losses in respect of goods purchased in the previous accounting period, same again depreciation of £24,000 and a fall in interest, directors' remuneration and audit fees which aggregate £153,000 against £235,000.

Messrs Michael Ashcroft and Alan Cloggie joined the board as deputy chairman and managing-director respectively at the end of January and their advisors, Grindlay Brandts, have asked the Takeover Panel to rule on the Mooloya approach in respect of the material contracts.

The offer closes next Monday afternoon. The Takeover Panel is thought to be meeting to consider Grindlay Brandts' representations this week.

EUCALYPTUS PULP MILLS LIMITED

Extracts from the Statement by the Chairman, Sir John Coiville, C.B., C.V.O., circulated with the 1977 Accounts.

Profits before tax, when expressed in escudos, are again a record. However, there has been a substantial devaluation of the escudo so that profits and the value of the company's assets in sterling are reduced.

The exchange rate used in the 1977 Accounts as compared with the 1976 Accounts represents an escudo devaluation of 42.15%. On May 5th the Bank of Portugal announced an immediate devaluation of 6.5% and its intention to allow the escudo to continue to depreciate at a minimum rate of 11% per month. This announcement reflected a decision taken in agreement with the International Monetary Fund which has, I am glad to say, shown its willingness to provide Portugal with important financial assistance.

In spite of the support which Portugal will now receive from the I.M.F., and the general improvement in the political situation, the country's foreign exchange reserves have fallen to an extent which made it impossible for the Bank of Portugal, despite its sincere determination to ensure that the country's commitments are met, to allow the entire remittance of the Portuguese dividend in one instalment.

The Bank of Portugal has, however, authorised remittance in 6 successive monthly instalments which are not subject to any further devaluation of the escudo which may take place.

In these circumstances the Board can do no more than forecast a total dividend of 17% for the year 1977. Since even the amount required for this purpose will not have been received in full until November, the Board intend to declare a first interim dividend of 6% as soon as the second monthly instalment from Portugal is received, which it is expected will be the case by the end of October. A second interim dividend of 11% is intended to be paid as soon as possible after the last instalment of the 1977 dividend has been received in London.

Throughout the whole of 1977 world pulp markets were depressed. Conditions were such that the Company's production had to be curtailed in the early part of the year, but increased productivity, resulting from the praiseworthy efforts of the labour force and very large capital expenditure over the last few years, enabled the Company to produce a total tonnage for the year comparable to that of 1976 and to sell 11% more than the year. The weakness of prices has continued into the present year, particularly because there has been a large accumulation of pulp stocks in Scandinavia and North America. The situation was not improved by an increase in raw material prices.

There are now signs that the leading paper makers are beginning to build up their stocks of pulp again and there are other indications that the long down-turn in prices may be coming to an end. There is thus some hope of an improvement in margins towards the end of this year and a more positive up-turn in 1979.

After the revolution in Portugal certain of the Company's forest lands were occupied illegally, and in others the planting of new forests was obstructed. Moreover uncertainties remain as to what the effect might be were the programme for agrarian reform to be implemented under existing legislation. In this situation the Company presents considerable making every effort to be helpful, but during 1977 and the first part of 1978 no progress was made with our planting programme. It is to be hoped that this situation will soon improve because the national economy, no less than the Company's profitability, will suffer in the long term unless appropriate measures are taken to enable new forests to be planted and raw material supplies to be assured.

It will be realised that results comparable to those of last year are not to be expected for 1978. But it will be a disappointment to the Board if profits are not sufficient to justify JAIMA maintaining at least the same rate of dividend to its shareholders.

In spite of all these difficulties, I should like to pay a warm tribute to the efforts which the Portuguese Government have made to restore economic and financial stability. Friends of Portugal throughout the world have watched with hope, and also with apprehension, the country's first steps towards the establishment of a stable democratic government and they have been encouraged by the large amount of good sense and good temper which the whole Portuguese people have displayed during this anxious period. I believe that the reward of their patience is already appearing, and that with the vital support of the I.M.F. Portugal will soon, once again, be set on a road leading to the restoration of prosperity.

You will, I know, all share in the welcoming of the decision of the British representatives in the European Economic Community to endeavour to expedite the entry of Portugal into the Common Market, and I am glad that the country's esteem for its oldest ally is to be shown later this year when President Eanes will pay a State Visit to Britain.

Setback, but Rexmore sees recovery

After a setback in profits for the year to March 31, Rexmore, a converter of textile and pvc products, expects increased turnover and a substantial recovery in pre-tax profits. This is backed up by preliminary figures for the first quarter.

As a result of losses of about £500,000 from the warp knitting operations, profits for 1977-78 are down from £970,000 to

while the January 110 dipped 1½ to 8p.

GEC, with figures tomorrow, also saw its share of deals with the July 260 losing 1p to 12p and the October 260 easing ½p to 22p. The three-month 280 lost ½p to 4p while the October 280 slipped ½p to 12p.

In the conventional options market, GEC was the subject of some "shortie" deals taken out for the account and several three-month regular options.

Interest, in this the first day of the account, also surrounded Burmah and English Properties.

Options

Traded options took a turn for the better yesterday, more than doubling the previous day's total.

Of the 518 contracts dealt, Grand Metropolitan, the most active stock, attracted 141 deals. However, all 10 stocks did attract some interest.

The Grand Merit July 100, with 77 contracts, lost 2½p to 3p

Business appointments

Managing director of Law Land also deputy chairman

Mr A. D. Yates, managing director of Law Land, has additionally become deputy chairman of the Board of Kinowest, Benson.

Mr F. J. David and Mr J. Farago join the board of Buzal Pulp and Paper.

Mr M. Deffriend and Mr M. J. B. Green are over on the board of Kinowest, Benson.

Mr William G. Curran Jr has been appointed by The First National Bank of Chicago as chairman of the new First Chicago Investment Banking Group.

Mr Douglas Most has been made an executive director of Clerical, Medical and General Life Assurance.

Mr Donald de Groot will be joining the partnership of E. B. Savory, Milfin & Company on August 1.

Mr A. J. Barrow and Mr A. Wilson have been named directors of British Cocoa Mills (Hull).

Mr Peter Prince is now chairman of the Footwear, Leather and Fur Skin Industry Training Board.

Dr Neil Race Bell has become managing director of Stanley Mills Holdings, succeeding Mr Ernest Bell, who continues as chairman.

Mr P. Hancock has given up his post as group managing director of Celtic Haven and a management reorganisation of that company. Mr Hancock remains a director of Celtic Haven and managing director of Celtic Sea Supply Base and Barn Lake Engineering. Mr P. Moss becomes a director of Celtic Haven.

البنك السعودي البريطاني The Saudi British Bank

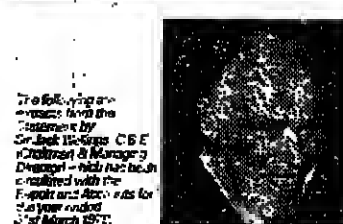
Established 1978

Jeddah-Riyadh-Alkhubar-Dammam

PO Box 109 PO Box 2917 PO Box 35, Dhahran Airport

A commercial bank owned 60% by the Saudi public and 40% by The British Bank of the Middle East, a member of The Hongkong Bank Group. Head Office: PO Box 109, Jeddah. Telex 401051 SJ.

Sir Jack Wellings reports— order books remain very strong and we have entered the year well.



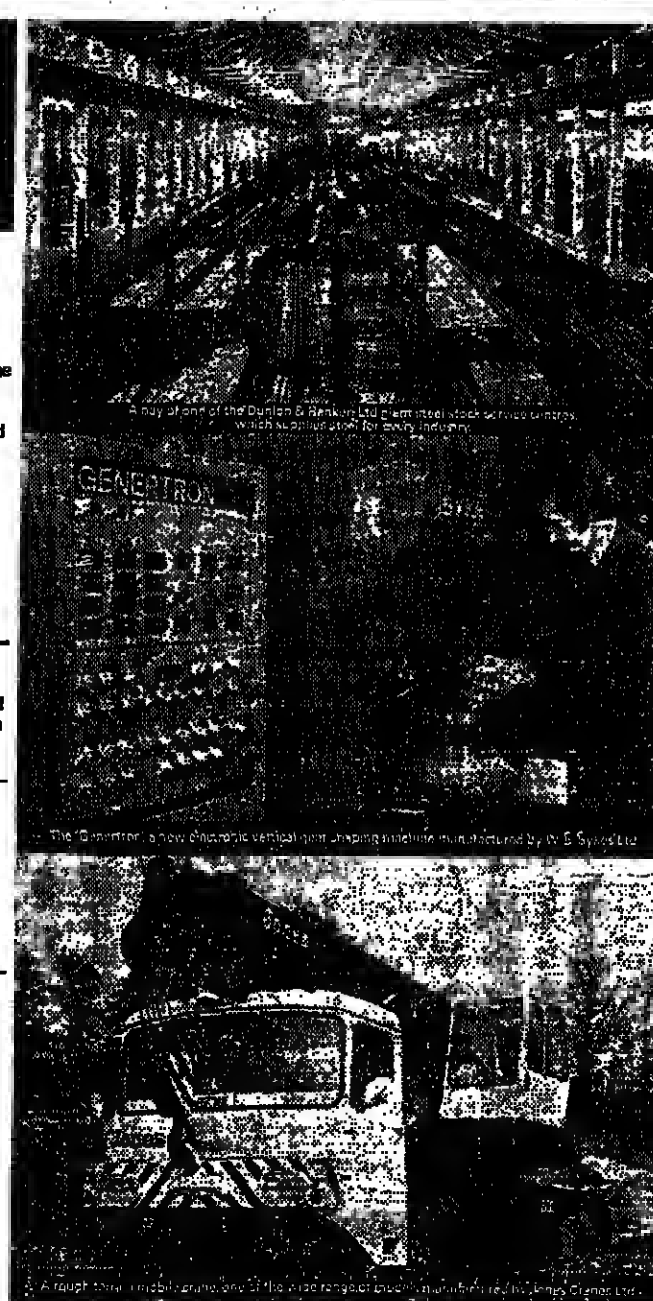
Our results were the best that we have shown despite the fact that the world wide depression in the steel industry affected the achievements of our Iron and Steel Division even more severely than we had expected. Both our Machine Tool and Engineering Divisions, which include our Overseas Companies, produced by far their highest profits and record exports were achieved.

Finance
We have adequate funds and facilities available to finance our capital expenditure programme, a revival of business in the Iron and Steel Division and further expansion.

Salient figures to 31st March 1978

	Year ended 31st March 1978	Year ended 31st March 1977
SALES	175,220	180,474
UK EXPORTS INCLUDED	47,462	42,885
PROFIT BEFORE TAX	71,294	104,891
ORDINARY DIVIDENDS	1,852	1,843
RETAINED PROFIT	3,178	2,826
EARNINGS PER ORDINARY STOCK UNIT	71.5 pence	103 pence

Iron and Steel Products and Services Division
Efforts must be made by the Scrap Industry during the year to obtain prices from the Steel Industry which bear a reasonable relation to processing costs and which approximate closer to the value in use of other ferrous furnace feeds which, in the main, are imported. Generally it was a most difficult year with some improvement expected in the current year as prices move up from their recent low.



Machine Tool Division
Excellent results from this division were assisted by a strong continuing demand for our products both at home and overseas. Our order books remained very high at the year end and we are confident of achieving good results in the current year.

Engineering Products and Services
Excellent results are also shown by this division. Exports contributed greatly to this performance. We are continuing to expand our activities in the Far East.

Exports
Direct exports from the United Kingdom again increased over the previous year and reached £47,462,000. The drive that we have put into exports together with the senior and top management team that has been devoted to overseas sales missions, has undoubtedly paid off; five years ago our exports were £19 million.

Personnel
We are all dependent upon the imagination, keenness and devotion to duty of our personnel who are responsible for any success we may achieve. Difficulties are many and outside interference becomes more common, but the enthusiasm of our personnel has not waned. We are indebted to all our employees for their interest, effort and loyalty.

Outlook
Looking back to this time last year I find the outlook is little changed. We are still dependent for any major advance in the performance of our Group upon an improvement in the UK economy, especially in the steel and allied industries. Order books for our manufactured products remain very strong and we have entered the year well. We expect at least to maintain our overall level of results and with any upturn in the Steel Industry we should do better.

A copy of the Report and Accounts for the year to 31st March 1978 can be obtained from The Secretary, The 600 Group Limited, Wood Lane, London W12 7PL.

The 600 Group Limited

ESTABLISHED 1934
MACHINE TOOLS - ENGINEERING PRODUCTS - STEEL DISTRIBUTION - SCRAP PROCESSING

MARKET REPORTS

Commodities

[illegible][illegible]

Bank Base Rates

ABN Bank	10%
Barclays Bank	10%
B.C.C.I. Bank	10%
Consolidated Crdts.	10%
C. Hoare & Co.	*10%
Lloyds Bank	10%
London Mercantile	10%
Midland Bank	10%
Nat Westminster	10%
Rossminster Ltd	10%
TSB	10%
Williams and Glyn's	10%

THE NEW THROGMORTON

TRUST LIMITED
Capital Loan Stock Valuation 4th
July, 1978.
The net asset value per £1 of Capital
Loan Stock is 132.38p.
Securities valued at middle-market prices.

M. J. H. Nightingale & Co. Limited
62-63, Threadneedle Street, London EC2R 3HP Tel. 01 638 8651
The Over-the-Counter Market

1977-78 High	Low	Company	Price	Chg	Gross Div(p)	Yld %	P/E
64	29	Airsprung Ord	64	+2	5.4	8.4	8
203	106	Airsprung 18 1/2 CULS	203	—	18.5	9.1	—
46	26	Armatage	42	—	3.3	7.8	17
106	105	Ardis Inc	102	—1	5.1	7.5	8
116	51	Babara Ord	116	—	5.1	9.4	9
230	108	Deborah 17 1/2 CULS	230	—	17.5	7.6	—
147	120	Frederick Parker	129	+1	12.4	9.6	5
153	135	George Blair	149	—	15.0	10.0	5
58	36	Jackson Group	50	—	5.0	10.0	5
114	55	James Burrough	104	—	6.5	6.2	9
304	188	Turner Jenkins	318	—	26.7	8.4	—
24	9	Twinnick Ord	78	—	12.0	15.3	17
82	54	Twinnick 12 1/2 CULS	79	—	12.0	15.3	—
81	54	Uoifcock Holdings	78	—	7.0	9	—
105	67	Walker Alexander	105	—	6.1	7.2	—

US coffee producers study Brazil price cut

New York, July 4.—A cut in coffee prices by Brazil, the world's largest producer, sent prices downward on commodities markets. The drop was so soon to tell whether the decrease would reach supermarkets.

The price of coffee futures tumbled 4 cents a pound on the London exchange and 4 cents on the New York market in reaction to the announcement on Saturday that Brazil, which supplies a third of the world's coffee, cut its 1962-63 crop 10 cents a pound to \$1.50.

Most United States coffee prices were expected for the week ending July 4 holidays and would not be reached for comment. Folger's, a subsidiary of Procter and Gamble, said it was studying the Brazilian action to determine whether it would be passed on to consumers.

Coffee prices to be down to \$3 a pound in the autumn and could be as low as \$2.50 per pound by the end of the year. The price of coffee assumes no frost damage to the Brazilian crop, a danger that should subside in a few weeks, Mr Gray added.

Coffee prices have been declining steadily since peaking a year ago at about \$4.50 a pound wholesale. A pound last month cost about \$3.20 wholesale.

Industry experts said that the say the decline will be aided by Brazil's latest action

Discount market

As on Monday the Bank of England was required to assist the market yesterday on a day when the supply of credit was meant to be adequate.

This time, however, the help was on a moderate scale, slightly less than Monday, channelled via the Treasury and the Bank directly from the houses. So banks should again have "gone to bed" with balances well above target.

Some money was moving at 9½ per cent first thing, but rates turned to 9½ per cent before dropping to between 8½ and 8½ per cent for the balances following the Bank's assistance.

Full balances carried over from Monday should have been sufficient to offset the repayment of small loans made to the market by the Bank on Monday, a fairly large Treasury bill take-up, and a further sizeable rise in the note circulation.

indicators)			
ICO 8 ^a , 1984	..	94 ^a	95 ^a
ICO 9 1992	..	93 ^a	96
EL 9 ^a , 1988	..	99 ^a	100 ^a
O/sans 8 ^a , 1987	..	94 ^a	95 ^a
Services 3 1983	..	97	97 ^a
Model 9 1992	..	93 ^a	94 ^a
Land Int 8 ^a , 1992	..	94	94 ^a
CB 8 1987	..	90 ^a	93 ^a
Est West 9 1986	..	99 ^a	100
Forest Prod 9 1986	..	94 ^a	99 ^a
8 1987	..	95 ^a	99 ^a

Money Market

Rates

Bank of England Minimum Lending Rate 10%
 (Last changed 9/9/81)
 Clearing Banks Base Rate 10%
 Discount Rate 8%
 Government: High 7% Low 7%
 Week Fixed 8 1/2%

Treasury Bill's Dis.			
1 month	10-10 1/2	3 months	10-10 1/2
3 months	10-10 1/2	6 months	10-10 1/2
6 months	10-10 1/2	1 year	10-10 1/2
Prime Bank Bill's Dis. & Trans. (Oct 1st)			
1 month	10-10 1/2	3 months	10-10 1/2
3 months	10-10 1/2	6 months	10-10 1/2
6 months	10-10 1/2	1 year	10-10 1/2
1 year	10-10 1/2	2 years	10-10 1/2
Local Authority Bonds			
1 month	10-10 1/2	3 months	10-10 1/2
3 months	10-10 1/2	6 months	10-10 1/2
6 months	10-10 1/2	1 year	10-10 1/2
1 year	10-10 1/2	2 years	10-10 1/2
2 years	10-10 1/2	3 years	10-10 1/2
3 years	10-10 1/2	4 years	10-10 1/2
4 years	10-10 1/2	5 years	10-10 1/2
5 years	10-10 1/2	6 years	10-10 1/2
6 years	10-10 1/2	7 years	10-10 1/2
7 years	10-10 1/2	8 years	10-10 1/2
8 years	10-10 1/2	9 years	10-10 1/2
9 years	10-10 1/2	10 years	10-10 1/2
10 years	10-10 1/2	11 years	10-10 1/2
11 years	10-10 1/2	12 years	10-10 1/2
Savannah R.R. & N. Bonds			
1 month	10-10 1/2	3 months	10-10 1/2
3 months	10-10 1/2	6 months	10-10 1/2
6 months	10-10 1/2	1 year	10-10 1/2
Local Authority Market			
1 month	10-10 1/2	3 months	10-10 1/2
3 months	10-10 1/2	6 months	10-10 1/2
6 months	10-10 1/2	1 year	10-10 1/2
Savannah R.R. & N. Bonds			
1 month	10-10 1/2	3 months	10-10 1/2
3 months	10-10 1/2	6 months	10-10 1/2
6 months	10-10 1/2	1 year	10-10 1/2
1 year	10-10 1/2	2 years	10-10 1/2
2 years	10-10 1/2	3 years	10-10 1/2
3 years	10-10 1/2	4 years	10-10 1/2
4 years	10-10 1/2	5 years	10-10 1/2
5 years	10-10 1/2	6 years	10-10 1/2
6 years	10-10 1/2	7 years	10-10 1/2
7 years	10-10 1/2	8 years	10-10 1/2
8 years	10-10 1/2	9 years	10-10 1/2
9 years	10-10 1/2	10 years	10-10 1/2
10 years	10-10 1/2	11 years	10-10 1/2
11 years	10-10 1/2	12 years	10-10 1/2
Prime Cit. Finance Bays. All. Reg. & Co.			
1 month	10-10 1/2	3 months	10-10 1/2
3 months	10-10 1/2	6 months	10-10 1/2
6 months	10-10 1/2	1 year	10-10 1/2
1 year	10-10 1/2	2 years	10-10 1/2
2 years	10-10 1/2	3 years	10-10 1/2
3 years	10-10 1/2	4 years	10-10 1/2
4 years	10-10 1/2	5 years	10-10 1/2
5 years	10-10 1/2	6 years	10-10 1/2
6 years	10-10 1/2	7 years	10-10 1/2
7 years	10-10 1/2	8 years	10-10 1/2
8 years	10-10 1/2	9 years	10-10 1/2
9 years	10-10 1/2	10 years	10-10 1/2
10 years	10-10 1/2	11 years	10-10 1/2
11 years	10-10 1/2	12 years	10-10 1/2
Finance House Bays. All. Reg. & Co.			
1 month	10-10 1/2	3 months	10-10 1/2
3 months	10-10 1/2	6 months	10-10 1/2
6 months	10-10 1/2	1 year	10-10 1/2
1 year	10-10 1/2	2 years	10-10 1/2
2 years	10-10 1/2	3 years	10-10 1/2
3 years	10-10 1/2	4 years	10-10 1/2
4 years	10-10 1/2	5 years	10-10 1/2
5 years	10-10 1/2	6 years	10-10 1/2
6 years	10-10 1/2	7 years	10-10 1/2
7 years	10-10 1/2	8 years	10-10 1/2
8 years	10-10 1/2	9 years	10-10 1/2
9 years	10-10 1/2	10 years	10-10 1/2
10 years	10-10 1/2	11 years	10-10 1/2
11 years	10-10 1/2	12 years	10-10 1/2

Eurobond prices (midday indicators)

[illegible]

Sweden 8¹, 1987
Tanzania 8¹, 1987
Walter Kilde 8¹, 1985

[illegible]

Recent Issues

1967-1968	1968
1969-1970	1969
1971-1972	1971
1973-1974	1973
1975-1976	1975
1977-1978	1977
1979-1980	1979
1981-1982	1981
1983-1984	1983
1985-1986	1985
1987-1988	1987
1989-1990	1989
1991-1992	1991
1993-1994	1993
1995-1996	1995
1997-1998	1997
1999-2000	1999
2001-2002	2001
2003-2004	2003
2005-2006	2005
2007-2008	2007
2009-2010	2009
2011-2012	2011
2013-2014	2013
2015-2016	2015
2017-2018	2017
2019-2020	2019
2021-2022	2021
2023-2024	2023
2025-2026	2025
2027-2028	2027
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2115-2116	2115
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2119-2120	2119
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2161-2162	2161
2163-2164	2163
2165-2166	2165
2167-2168	2167
2169-2170	2169
2171-2172	2171
2173-2174	2173
2175-2176	2175
2177-2178	2177
2179-2180	2179
2181-2182	2181
2183-2184	2183
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2187-2188	2187
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2193-2194	2193
2195-2196	2195
2197-2198	2197
2199-2200	2199
2201-2202	2201
2203-2204	2203
2205-2206	2205
2207-2208	2207
2209-2210	2209
2211-2212	2211
2213-2214	2213
2215-2216	2215
2217-2218	2217
2219-2220	2219
2221-2222	222

Foreign exchange

Whilst America celebrated Independence Day, the dollar suffered further widespread losses in currency markets yesterday and closed virtually at the bottom of the day.

Once again, the yen dealt another blow, reaching a new "high" which is Tokyo and London, with the Bank of Japan not seen to be intervening energetically, despite the problems posed for Japanese exporters. It closed in London at 0.90 after 200.40, and compared with Monday's 202.30.

The pound also soared off the dollar, ending at \$1.8745 (over-the-counter \$1.8675) after extremes of \$1.8760 and \$1.8650, though it fell less well against the currency market, easing to 61.4 from 61.5. A fall in West Germany's industrial production index failed to prevent a smart rise in the mark to 2.0465 from 2.0625. The Swiss franc, 1.7990 (1.8320), did well. The French franc closed at 4.4250 (4.810).

Spot Position of Sterling

	Market price (bid-ask range)	Market price (volume)
July 4		
New York	\$1.50-1.60-17.98	\$1.51-1.50-17.95
Atlanta	\$2.05-2.00-10.0	\$2.10-2.00-10.0
San Francisco	4.13-1.00-16.71	4.13-1.00-16.71
London	60.30-50.0	60.30-50.0
Amsterdam	19.50-50.0	19.50-50.0
Frankfurt	3.23-3.00-9.0	3.23-3.00-9.0
Paris	74.70-50.0	74.70-50.0
Brussels	17.57-50.0	17.57-50.0
Geneva	18.94-50.0	18.94-50.0
Zurich	6.20-50.0	6.20-50.0
Stockholm	9.10-50.0	9.10-50.0
Copenhagen	27.00-50.0	27.00-50.0
Oslo	21.00-50.0	21.00-50.0
Stock	1.30-40.0	1.30-40.0

Source: The Wall Street Journal, July 4, 1977.

Effective exchange rate computed as of December 31, 1977, with base 4.46:1.

Forward Level

[illegible]

पुनः प्रारम्भः

Authorized Units, Insurance & Offshore Funds

[illegible]

BANCA TOSCANA

JOINT STOCK COMPANY
Company's Capital, Reserves and Risks Funds Lit.126.984.878.200

Balance 1977

The Ordinary Annual Meeting of Shareholders of Banca Toscana was held on May 2, 1978 at the Bank's premises at the Palazzo Portinari Salvetti, in Florence.

The President Prof. Dott. Enzo Baiocchi emphasized among other the remarkable development of the Bank's activities also in the past financial year.

Dott. Giovanni Cini, Managing Director, read the Report of the Board of Directors and commented the major goals, namely:

- Deposits have reached the aggregate amount of Lire 2,725 billions (of which Lire 2,505 billions for current customers) depositing with a productivity of 28.3% over 1976;
- advances to customers total Lire \$31 billions (132.2% over 1976);
- the profit and loss account closed with a net profit of Lire 3,677,599,355;
- a 16% increase in the total assets of the Bank from 1959 to 1971 - 1976 in 1973 - 1974 - 25% in 1975 - 1976 in 1976;
- after allocations to reserves and various funds, the total of own resources amounts to Lire 13,964,878,200 (the figure for 1976 was Lire 98,251,444,000);

The President stressed that the Bank's international trade transactions bank has further expanded and represents about 24% of the whole international trade of the Region;

- prospects for the year 1978 look good and are encouraged by the authorization obtained from the Board of Directors on May 15, 1978 to authorize the Bank to reinforce the network in the Region (Castiglione di Sotto, Segromigno in Montia, etc.).

Balance Sheet as at December 31, 1977

ASSETS		LIABILITIES	
Cash	16,552,185.955	Capital	12,000,000.000
Funds at the Central Bank	399,929,795.052	Ordinary & extraordinary reserves	4,930,881,258
Securities owned		Loans and other risks funds	54,053,322.593
(government and government guaranteed bonds)	1,048,748,318.518	Securities fluctuation fund	9,428,617.560
Payments	2,658,926.788	Bank premises and equipment renovation and reconstruction	1,500,000.000
Loans to customers	391,786,350.358		
Banks & Correspondents	258,943,168.547		
Bills for collection	275,316,741.802		
Sundry & Treasury accounts	87,887,866.182	Customers savings and current accounts	2,556,121,320.789
Furniture & Equipment	12,212,333.556	Banks and correspondents current accounts	192,541,397.129
Bank premises and other properties	30,287,956.641	Circular cheques	43,963,420.650
Interest earned not collected	87,103,196.234	Bills for collection	47,281,813.318
		Sundry and Treasury accounts	45,498,232.223
		Staff indemnity provision fund	4,739,807,710
		Depreciation funds:	
		Furniture and equipment	8,624,396.421
		bank premises and other properties	6,284,545,125
		Treasuries	12,894,491.498
		Unclaimed dividends	12,775,015
		Adjustment for unclaimed interest and interest earned not paid	40,865,786.457
		NET PROFIT	3,877,596,263
	3,115,434,541.533		3,115,434,541.533

Stock Exchange Prices

Form 100-10-11

ACCOUNT DAYS: Dealings Began, June 26. Dealings End, July 7. \$ Contango Day, July 10. Settlement Day, July 18

§ Forward bargains are permitted on two previous days.

[illegible]

FINANCIAL NEWS

Volkswagen chief reassures shareholders on 1978 dividend

Wolfsburg. — Volkswagen shareholders need have no concern about the company's dividend payment next year on the 1978 result, the management board chairman Herr Tooti Schmuckler has declared.

However, he told the annual meeting it is too early to make specific forecasts about the 1978



Herr Tooti Schmuckler, management board chairman of Volkswagen.

International

outcome. Volkswagen is proposing a 1977 dividend of DM7.00, plus a DM1.00 bonus.

Herr Schmuckler said the group result in the first months of 1978 was better than in the same 1977 period. The improvement was due to a profitable market structure, an upswing in Mexico and signs of progress in Brazil.

Worldwide deliveries in the first half of this year totalled about 1.2m vehicles, slightly down from the similar period last year.

Volkswagen earned a group net profit of DM164m (£42.5m) in the first quarter, up from DM133m in the similar 1977

quarter, on turnover of DM6,830m, against DMS,980m. Group net profit for 1977 was DM419m, down from DM1m in 1976, on turnover of DM24,150m against DM21,420m. The 1976 and 1977 net profits are not strictly comparable as

taxes were unusually low in 1976 due to losses brought forward from previous years.

First-half domestic deliveries were 3.8 per cent down on the same period of last year, at a provisional 470,000 vehicles. Deliveries to European export markets were 7 per cent lower at 226,000, with the drop resulting primarily from delivery problems with the "Golf" foreign exchange movements and lower demand. Sales of the group's South African, Mexican and Brazilian divisions improved, though first-half deliveries in the United States were 13 per cent down at 135,000.

United States deliveries were affected by the unsatisfactory stock levels of the "Golf" sold in the United States as the "Rabbit", the weakness of the dollar and the notable improvement in the performance of United States car producers. Herr Schmuckler noted, however, that production is building up at the company's United States Westmoreland plant and should reach about its full annual capacity of 200,000 vehicles by the end of this year. —Reuter.

Flick group up 8.9 pc

Friedrich Flick Industrial Holding group, one of the largest privately owned companies in Europe, saw its consolidated net profits rise 8.9 per cent in 1977 to DM57.5m. Consolidated turnover of the group—which has interests in steel and machinery, paper, chemicals and explosives—totalled DM7,293m in 1977 against 6,701m.

Flick is still seeking ways to reinvest the remaining proceeds from its sale of Daumler-Benz shares to Deutsche Bank in early 1976.

Under West Germany's tax code, Flick has to spend all the DM2,000m from the sale of Deutsche Bank by December 31, 1978, in ways that will benefit the National economy, if it is to avoid capital gains and revenue taxes.—AP-DT.

Beral (Portugal)

Beral Tin & Wolfram (Portugal) is to pay about 15m French francs for Mines de Borralha, a French company with wolfram interests in northern Portugal.

Payment will be in three instalments over two years, each instalment being the Escudo equivalent of 5m according to a formula for wolfram prices agreed between the parties. Beral Portugal is 80.55 per cent owned by Beral Tin and Wolfram, which is wholly owned by Charter Consolidated, the United Kingdom mining finance and industrial group.

Nuclear power bond

Zurich—Swiss Nuclear Power company, Kraftwerke Leoben, will float a 100m franc, 4 per cent, 10-year loan on the Suisse said as the issuing Swiss capital market. Credit sortum leader. The company

has reserved 5m francs of this loan for investment by its shareholders, while the remaining 95m francs will be offered for public subscription at 101 per cent from July 7 to 13.—Reuter.

Boral US offshoot

Sydney—Boral Ltd has established a wholly-owned subsidiary, Boral USA Inc, based in Los Angeles. The new subsidiary has purchased a 55 per cent shareholding in California Tile from Amelco Corp of Honolulu. No price was disclosed.—Reuter.

Swire Pacific

Hongkong—Swire Pacific Ltd is to purchase all the Peninsular and Oriental Steam Navigation Co's remaining shareholding in Cathay Holdings, which will have a wholly-owned Swire subsidiary. At present, Swire Pacific owns 87.5 per cent and P & O 12.5 per cent of Cathay Holdings' shares.—Reuter.

Chairmen

PEULER-MATTERLEY

Mr J. M. Harrison: Group has made a good start to new year, with sales rising. Factories are working at acceptable levels but group would like to achieve higher productivity. If competition in the market becomes more severe, and if major stoppages in group factories can be avoided, he expects position to improve with better results for year.

UNILEX HOLDINGS

Mr David Thompson: Steps are being taken which should improve results this year, including two new ranges of bedroom furniture, and two acquisitions. Group turnover for first quarter is up.

NORWEST HOLST

Mr S. E. Baister: Order book is better than last year, he says that group's growth over past three years has been an achievement and while it does not follow that rate of increase can continue, its maintenance is board's aim.

FRANCIS SUMNER (BLDG)

Mr Max Mazon: Current year has started with slower order intake. External sales for first four months and order book as a whole are slightly up. Internal accounts show a mixed picture, performance but board looks with great confidence to a successful year.

OCEAN WILSONS

Lord Darroch: Hard to say what profits for year in sterling terms will be, but profits in Brazilian currency are significantly higher for first quarter. There should be good prospects for further dividend increase, he says.

CARLTON INDUSTRIES

Mr Leon Roydon: Company now a subsidiary of Hawker Siddeley and has taken over leaded battery division of Hawker in Newport, Gwent. Order books are up and another increase in profits is confidently expected.

TUNNEL HOLDINGS

Mr J. D. Birkin: Expects this to be the year when the decline in the United Kingdom construction industry is finally halted. Higher prices for gas and cement, coupled with coal rising at one work, and political uncertainties make cement prospects hard to forecast.

EXCHANGE TELEGRAPH

Mr John L. Harvey: Group has made steady progress and has increased over 10m in development in business in last four years. He believes group will continue to make sound progress.

SUMRIS CLOTHES

Ronald Malcolm Sumrie: Forward orders are good but it would be imprudent to be over-optimistic.

ALIDA PACKAGING

Mr Rex Stone: Medium-term view is that benefits of diversification and sounder economy, coupled with healthy demand, should prove rewarding.

F. H. LLOYD

Mr R. H. Foster: Profits in first half expected to be substantially down. Start of new year affected slightly by material shortages. Current year will see many additional projects, but he is confident group will surmount them.

J. BILLAM

Mr Gordon Billam: Conditions in cutlery industry will continue to be difficult during 1978, but he expects another successful year.

Int Timber cautiously optimistic

World-wide economic activity is still restrained and timber producers have suffered from much-reduced demand, with heavy scaling down of production and adverse effects on their profits. Mr Ronald Groves, the chairman of International Timber Corporation, says that producers need higher prices but this is prevented by market forces.

Inevitably, prices in this country will continue to be influenced by currency movements and uncertainties here are likely to maintain the industry's caution of the past year or so.

A slight improvement in the construction industry now seems likely. The group's sales are ahead of last year, and board forecasts are for this to continue, the manufacturing companies are working close to capacity but to all the circumstances, Mr Groves feels that a degree of cautious optimism is justified.

PITMAN

Mr Hugh de Beauchamp: Lawsons sees no reason why business should not continue to prosper and expand. Board is evaluating several possibilities which he hopes will lead to further development of group.

JOHN BRIGHT GROUP

Mr M. M. Forde: Although there was some pick-up in business in last quarter of year, there is still no sign of a sustained recovery in demand.

MONKS INVESTMENT TRST

Mr M. Hamilton: Board continues to seek increases in both income and capital values and expects a further rise in earnings this year.

Now Spooner Inds rejects Sandvik bid

Lord Inglewood, chairman of Spooner Industries, has rejected the 80p-a-share offer from Sandvik as completely inadequate and unacceptable. He will give detailed reasons for the board's view when the formal offer is received from Sandvik, the United Kingdom arm of the giant Swedish steel group.

The new offer eclipses the 65p a share bid from Redman Heenan and the feels that a detailed rejection of this bid is no longer appropriate.

BIRD (AFRICA)

For 554,000 shares has now been received in compensation for takeover at Tanzanian offshoot.

BRISTOL EVENING POST

Turnover for year to March 31, £18.3m (£15.1m). Pre-tax profit £1.7m (£1.2m). Earnings 7.4p (5.8p). Total dividend 9.7p (8.6p).

ROYNER HOLDINGS

Turnover for year to March 31, £12.3m (£10.4m). Pre-tax profit £2.4m (£2.0m). Earnings 7.4p (5.8p). Total dividend 9.7p (8.6p).

COSALT

For 533,000 group has agreed to buy BOC International's offshoot North Sea Marine Rig Services. This will provide an important extension to the range of services already offered by Cosalt to the offshore oil industry.

CARLESS CAPEL & LEONARD

Company has agreed to purchase 750,000 new shares in Newport Petroleum, Calgary, Alberta, Canada at 60 cents (Canadian) a share. Total price of £450,000 will give Carless Europe 30 per cent of enlarged equity of Newport which is a private oil and gas exploration company.

LEP GROUP

Board expects to dispatch annual report and accounts for 1977 in September. They are expected to show pre-tax profit within the range of £4.6m to £4.8m.

Briefly

BURNETT & HALLAMSHIRE

Group has reached agreement with Ministry of Agriculture enabling it to work 500,000 tonnes of coal by open-cast methods in Forest of Dean. Work will commence later this year and will be completed by autumn of 1981.

S & U NEWSPAPERS

Scottish & Universal Newspapers, Scotland's largest provincial newspaper group, announce the acquisition of Eddons Newspaper Services, Eddons, an old-established Sheffield-based company, supply art work and editorial services to newspapers throughout the United Kingdom as well as Australia and New Zealand.

FORWARD TECHNOLOGY

Forward Technology Industries has sold 14 freehold properties for £468,000 cash. Of this sum, £440,000 has already been paid and the balance is payable within the next week.

RANOMES SIMS

For 524,000 Ransomess Sims & Joffries has acquired 34.2 per cent of Wisconsin Marine of Lake Mills, Wisconsin, which makes rotary mowers. Ransomess can in future take about 95 per cent.

SCOTTISH EASTERN INVEST TRST

To reduce disparity between dividend and fund dividends an interim has been declared for year ending January 31, 1979, of 3p gross (1.8p net). Final dividend for year ending January 31, 1979, will be not less than 3.7p gross (4.2p net).

KAKUZI

Pre-tax profit for year to January 2 was 2.3m Kenya pounds (1.6m). Final dividend is 60 cents, plus special dividend of 40 cents.

E. ELLIOTT

£4.66m (£3.3m) for year to March 31. Pre-tax profit £246,500 (£154,500). Earnings a share 5.66p (3.42p). Final dividend is 2.25p gross, making a total of 3.25p (2.27p).

G. H. DOWNING

Turnover for year to March 31, £12.7m (£10.8m). Pre-tax profit £1.7m (£1.8m). Earnings a share, 6.7p (4.15p). Second interim dividend is 9.7p gross making 17.2p gross (10.45p). Final dividend is 2.25p gross, making a total of 3.25p (2.27p).

McMULLEN AND SONS

Turnover for half year to April 1, £5.05m (£3.34m). Pre-tax profit, £324,000 (£572,000).

WINTERBOTTOM TRUST

Revenue for six months to May 31, £321,000 (£228,400). Pre-tax earnings, £218,600 (£153,500). Earnings per share, 2.51p (2.12p). Interim dividend 3.05p gross (2.42p net).

TEX ABRASIVES

Turnover for year to March 31, £5.2m, against £4.4m. Pre-tax profit, £458,000 (£279,000). Final dividend, 3.3p gross (2.4p net), making a total of 4.57p gross (4.0p net).

WACE GROUP

Listing temporarily suspended at the company's request, pending publication of reorganization particulars.

CALEDONIAN ASSOC CINEMAS

Turnover for year to March 25, £5.3m (£4.9m). Pre-tax profit, £463,000, against £245,000. Earnings per share, 60.5p (41.5p). Final dividend, 3.3p gross (2.4p net), making a total of 5.4p gross (4.8p net).

LAZARD ARRANGE FINANCE

Lazard Freres & Co have signed two loan agreements totalling about \$35m with Hemiliska Indus, Zorka of Sabac, Yugoslavia, to provide finance for a complete computer to be developed by Zorka at Sabac, near Belgrade.

Secretary

A Director of a new subsidiary within an international bank is seeking an experienced secretary.

The successful applicant must have organizing ability and a keenness to keep the wheels turning in the absence of the Director.

The position is located in London, W1 and the salary is £4,000-plus.

If you are interested, please telephone 01-283 9772, reference LD for an application form.

Secretary to Director

salary £3,750+ Euston

You are young, attractive and have a good sense of humour and you are a competent audio secretary. You want to move in higher circles with a little more responsibility, this could be your chance. We are an international sales organisation with headquarters one minute from Euston station.

Conditions are superb, you will work for our Administration Director only and apart from the interest and involvement to be enjoyed at this level, you will also benefit through:

- * 4 weeks paid holiday
- * super subsidised restaurant
- * disco/club
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- * pension plan

Interested? Good. Initially talk to our consultant Laurie Grant, call him on 01-387 3238, or write to him ref J52/C, at Lympoint Limited, Marketing Consultants, 4 Elm Tree Close, Northolt, Middx.

Lympoint Limited
MARKETING CONSULTANTS

Personal Secretary

General Manager, Hounslow
£3,800 aae-4 weeks holiday.

Solus Schall, a leading International oil service company, has a vacancy for a Personal Secretary, with at least 4 years' experience in Secretarial work, 2 years of which should have been in a senior position.

Applicants should be proficient in shorthand and audio typing and be educated to at least 'O' level standard.

The company has a young and aggressive management team who believe that Secretary positions are key jobs in the Organisation. The offices are modern and conveniently located within easy reach of shops and tubes.

For more details please contact: Maureen Mackinnon, Personnel Department, Solus Schall Limited, Annabelle House, 28, Staines Road, Hounslow, Middlesex. Tel: 01-572 4221.

Solus Schall
Inspection
Corrosion Control
Project Engineering
Underwater Service

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Requires a
SECRETARY/P.A.
to the Managing Director

As leaders in the demanding Ladies Fashion Market, we have a worldwide clientele. As such, the Managing Director, Mr. J. D. Birkin, needs a competent secretary to assist him in the day-to-day running of the company. The ideal candidate will be a young, attractive, single woman, with a minimum of 4 years' experience in a similar position. She must be able to take up the post at once, or fairly shortly. Ability in foreign languages an advantage.

Salary: c. £4,250 according to experience.

Apply to: The Managing Director, COJANA LTD, 18 Great Marlborough Street, London, W.1. Tel: 437 8432/4

You need Skill,
Intelligence
... and Kay Sykes

If you are a secretary looking for a change we are here to help you.

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La creme de la creme
also on page 7

Crème Crème

Managerial-Administrative-Secretarial-Personal Assistants-

TO £5,000

Secretary/Reader large approx 250 for City firm specialising in lighting, working with a team of young designers. In addition to secretarial skills (accurate shorthand/typing), must be able to proof read artwork; previous experience in publishing an asset.

£4,400+ BANKING PERKS

Secretary (mid/late 20s) to meticulous General Manager for City branch of well known bank. Requirements: acc. and dict. skills, ability to deal with people at all levels, branches and clients. Duties include some admin., correspondence, etc. Modern, extremely pleasant offices. 4.45 p.m. finish.

Senior Secretaries
Recruitment Consultants
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EC2V 8DA
01-606 1611

PERSONNEL SELECTION & CONSULTANCY

c. £4,000 + LVs
Excellent typing, but no shorthand necessary, for this challenging & unusual Secretarial position, working for a Senior Consultant/Division Manager. If you have the ability to communicate at very senior levels, which combines with a sense of urgency and initiative, then our Clients can offer you variety, interest and job satisfaction. Please contact:

Jane Hubbard
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17 Broadway, S.W.1.
E2 2JH
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FLUENT FRENCH 3 BI LING. SECS.

£4,500—OIL
Secretary with English mother tongue to work for Administration Manager of leading Oil Co. 5h. need not be fast but good audio. Able to work on own initiative.

£3,800—WINE
Secretary with English mother tongue to work for 2 Directors of top Wine Co. Very responsible job with every opportunity to progress.

£3,600—FOOD
Secretary (English mother tongue) to work for Director of French Food Co. Must have fluent French, beautiful office, good salary.

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(Recruitment Consultants)
628 0941 628 3662

KNIGHTSBRIDGE

£4,500
American International Marketing Company with small divisions offices in Knightsbridge need a good Secretary to help in the London team. The job involves a lot of responsibility with full access to the Managing Director. This is a challenging and long-established company with a good salary and many benefits including 60p LV's.

Telephone Helen Clark

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Recruitment Consultants
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MERCHANT BANKING

c. £5,000

The busy multi bank director of this large and well established Merchant Bank needs a top Secretary/P.A. to assist in the day-to-day running of the bank. The job involves a lot of responsibility with full access to the Managing Director. This is a challenging and long-established company with a good salary and many benefits including 60p LV's.

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Tel: 489 5378

COURSE BOOKINGS COORDINATOR

Data Training Ltd a leader in the field of programme and course booking, requires a person to deal with and process bookings and enquiries. The ideal candidate will be a young, attractive, single woman, with a minimum of 4 years' experience in a similar position. She must be able to take up the post at once, or fairly shortly. Ability in foreign languages an advantage.

Salary: c. £4,250 according to experience.

Apply to: The Managing Director, COJANA LTD, 18 Great Marlborough Street, London, W.1. Tel: 437 8432/4

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If you are a secretary looking for a change we are here to help you.

Ring Kay Sykes on
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(RECRUITMENT CONSULTANTS)

La creme de la creme
also on page 7

MONEYBROKERS—E.C.4 £4,500-£5,000

Active energetic N.D. needs a good P.A.—Sec. who is personable, discreet and able to cope with many aspects of business and domestic life. Must have a good knowledge of the City and its environs. Prefer City background. Age 20-mid-30s. Ref: 1.

CLOTHING MANUFACTURERS—S.W.18

£4,000+ neg.
Sales and Marketing Director of well established firm needs a good P.A.—Sec. who can assist in the day-to-day running of the firm. Must have a good knowledge of the City and its environs. Prefer City background. Age 20-mid-30s. Ref: 2.

P.A. (WITH TRAVEL) N.1

£4,000-£4,500 neg.
Sales Director on international side requires P.A.—Sec. preferably with a technical aptitude. Ideally this person should be efficient, proactive, sociable and able to cope with many aspects of business and domestic life. Must have a good knowledge of the City and its environs. Prefer City background. Age 20-mid-30s. Ref: 3.

FUND RAISING—S.W.1 £4,000 neg.

Supportive person Friday, needed for small office dealing with private schools. Must be sympathetic and really interested in the work. Good knowledge of fund raising and office. Good typing skills necessary. Age immaterial. Personality must be cheerful and speaking voice extremely articulate. Ref: 4.

COMMITTEE WORK—S.W.1 £3,500-£4,000

Non profit organisation need a good Secretary for its Director. Must be able to deal with many aspects of business and domestic life. Must have a good knowledge of the City and its environs. Prefer City background. Age 20-mid-30s. Ref: 5.

SEC./P.A.—W.1 (BAKER STREET) £4,250

Senior Secretary required for London office of large firm to handle a wide range of administrative duties. Must be efficient, proactive, sociable and able to cope with many aspects of business and domestic life. Must have a good knowledge of the City and its environs. Prefer City background. Age 20-mid-30s. Ref: 6.

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£4,500
Sec./P.A. with at least 3 years French required for French Company to work for London office. Must be efficient, proactive, sociable and able to cope with many aspects of business and domestic life. Must have a good knowledge of the City and its environs. Prefer City background. Age 20-mid-30s. Ref: 7.

NEWS MEDIA—E.C.4 £4,000+ neg.

Chairman of a small firm needs a good P.A.—Sec. who is personable, discreet and able to cope with many aspects of business and domestic life. Must have a good knowledge of the City and its environs. Prefer City background. Age 20-mid-30s. Ref: 8.

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Secretary to Financial Director

Up to £4,000 W.1

We are looking for a skilled shorthand Secretary, with some knowledge of financial procedures, to assist our young Financial Director and a small management team.

The successful candidate will be at least 23 and be capable of dealing at all levels throughout the organisation. Duties will involve minutes of meetings, memos, general correspondence and administration.

In return for your experience we offer an excellent salary, generous bonus, private health insurance, 33% discount on company merchandise, subsidised staff restaurant and 4 weeks' holiday after one year's service. Write with full career details to:

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We are looking for first-class Secretaries aged 21+ to fill appointments in our regional offices. You must have good shorthand and typing skills, be able to deal with the public, and have a pleasant, efficient manner. You will be responsible for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

Personnel and Training Officer,
Thomson Regional Newspapers Ltd.,
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Hampton Road, London, N.W.1.
Tel: 01-387 2800 ext. 222

ARTS

PUBLISHERS

Require Secretary with shorthand and typing skills. You will have full authority and responsibility for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

GROSVENOR BUREAU
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£4,000

A talent to organise plus good secretarial skills are required for this position. The successful candidate will be responsible for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

Call Sandra Robinson
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Department of Community Medicine

ST. THOMAS'S HOSPITAL

Two Secretaries

Two Secretaries are required for this position. The successful candidate will be responsible for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

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ACCOUNT CLERK

Up to first balance, Manual system, ledger, cash book, credit and debit, and a small amount of bookkeeping. 171 Company, 9.15-5.15, 4 weeks' holiday, £4,000 plus L.V. Phone 01-232 9922, 124 Baker Street, W.1. 12 minutes Baker St. Station.

SECRETARY NO

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Required by Senior Executive who is responsible for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

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AUDIO SECRETARY/PA

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RECEPTIONIST/

TELEPHONIST

For W.1 Property Company. Groomed, articulate person. P.M.B. & board. Little typing. Good shorthand. 4 weeks' holiday, £4,000 plus L.V. Phone 01-232 9922, 124 Baker Street, W.1. 12 minutes Baker St. Station.

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The promotion of Human Relations and Potential are the main aims of this bureau. The successful candidate will be responsible for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

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MARKETING DIRECTOR, S.W.1

With a proven track record in the marketing field, the successful candidate will be responsible for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

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INFORMATION ASSISTANT

Applicants for this position with a City professional firm should have a good education with good secretarial skills and experience.

The work is connected with business and finance and would include maintaining reference systems, assisting with information retrieval, answering enquiries, report writing and other clerical duties. Applicants must be able to deal confidently with senior management and clients and work on their own initiative. The work would suit a secretary with good shorthand and typing skills, and a keen interest in business and finance. An interest in current business affairs is essential. Age 23+. Salary according to experience.

Please write in full detail giving education, experience and present salary to: —

The Staff Partner
PANNELL FITZPATRICK & CO.
Chartered Accountants
Lee House
London Well, London EC2Y 5AL

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SECRETARY/P.A.

required by the General Sales Manager of British Vinegars Ltd.

This position will appeal to someone who is bright and intelligent, with a good educational background. The work is connected with business and finance and would include maintaining reference systems, assisting with information retrieval, answering enquiries, report writing and other clerical duties. Applicants must be able to deal confidently with senior management and clients and work on their own initiative.

A good salary is offered plus four weeks' annual holiday, 33% discount on company merchandise, subsidised staff restaurant and 4 weeks' holiday after one year's service. Write with full career details to:

Miss E. Gravelle
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22-PLUS+

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FOR DEPUTY CHAIRMAN
Come and work for an extremely nice boss in an international company in the City. With your good shorthand and typing skills, you will be responsible for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

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FROM SECRETARIAL

Secretary/P.A. to the top man in a top company. The successful candidate will be responsible for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

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LEISURE PROMOTIONS

to £3,700

Helping to promote the leisure industry, the successful candidate will be responsible for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

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LUXURY HOTELS

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A great atmosphere, which is a real challenge. The successful candidate will be responsible for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

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Metropolitan Gallery, with minimum 30 days' experience

Starting pay £35.15 per week. The successful candidate will be responsible for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

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TELEVISION APPEAL?

T.V. Co. Needs College leaver

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The Managing Director of City Merchants Company

seeks a person to assist him with the administrative/personnel/secretarial side of his work. The duties are varied and interesting and the atmosphere is friendly.

SALARY £3,750 PLUS BONUS. FREE BUPA. 30p LVS. HOURS 9.30 TO 5.00.

PLEASE PHONE COMPANY SECRETARY,
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SENIOR PERSONAL SECRETARY TO CHIEF ENGINEER

£3,622-£4,588 p.a. The Board of British Waterways is seeking a Senior Personal Secretary to the Chief Engineer. The successful candidate will be responsible for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

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SECRETARY/BURSAR

required by Rhodes House, Oxford

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Small firm of accountants

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COLLEGE LEAVER

£2,800

Audio typed by P.A. to the Managing Director of British Waterways. The successful candidate will be responsible for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

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Young outgoing personality to work for a friendly, successful

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For a College Leaver Secretary to be fully trained in all aspects

of the job. The successful candidate will be responsible for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

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Young ambitious Secretary to work for the Chairman of a

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It doesn't matter if you're not

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That doesn't matter, you'll soon pick up your old skills again. BUT I DON'T HAVE A TYPEWRITER TO PRACTICE ON. Well, come in and practice on ours. We'll cost you nothing, and you'll be able to see how short a time it takes to get up to speed.

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So we'll try to find you work for part of the day or part of the week.

BUT WHICH COMPANY WILL BE THAT FLEXIBLE?

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c. £4,500

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Wanted to develop new

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Friendly Advertising Company are looking for a

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required to edit study material

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EDITOR/CHEMIST

An editor is required in the publishing field. The successful candidate will be responsible for the day-to-day running of the office, including typing, filing, and general correspondence. A successful candidate will receive a competitive salary and benefits package. Please send your CV to:

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Immediately required to the

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